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EFFECT OF THE DECISION

THE NAKED TRUTH REVEALED BY MR. JUSTICE LONGLEY.

The Amount Involved—Damages in October, 1908, will Have Reached Three Millions—A Settlement is Imperative—The Two Methods—How the Finances of the Two Companies Will Be Affected.

Hon. Mr. Justice Longley has given a judgment that upholds practically all the main contentions of the Dominion Steel Company in its action against the Dominion Coal Company. While the judgment will be appealed, it is safe to say that non-partizans who have followed the evidence closely, and read the full text of the judgment, doubt the possibility of any reversion in its essential points. The judgment serves to bring out in strong relief the proceeding of the president of the Dominion Coal Company in repudiating last November so important a contract. Comment on this subject has been stilled, owing to the litigation, but now that the facts have been found in the court whose special function is to find on facts, there is not the same etiquette of silence to be observed. While last autumn, when the prostration of the Steel Company's works, through lack of proper coal, shocked the business community, the judgment of all fair-minded people was suspended in the hope that the Coal Company had some reasonable ground for their arbitrary action, not disclosed by a general view of the situation. At that time the general public were told that the Steel Company had itself abrogated the contract, and that the Coal Company had the best of legal advice to warrant their action. Even assuming this to be the case, there was ample cause for criticism of an act which was a body-blow to one of Canada's largest industries, evidently delivered without any serious attempt at a compromise. The judgment of Mr. Justice Longley reveals the naked truth. The conclusion is forced upon one that the Coal Company's action was guided by the principle of everything to gain and nothing to lose.

In effect the judgment upholds all the contentions of the Steel Company. From the plaintiffs' viewpoint, Hon. Mr. Justice Longley's finding that the coal was not reasonably free from stone and shale, and was utterly unfit for steelmaking, constitutes a finding of fact that it will be difficult to set aside on appeal.

The Coal leaders have made the most of the judge's finding, that the coal was fit for steam-raising. The judge, however, says that as regards the quality of the particular 153 cars delivered between Nov. 1 and 9, 1906, the Coal Company presented practically no evidence.

It is a matter of interest, also, that the evidence of the Steel Company's general manager, Mr. F. P. Jones, wherein he relates a conversion between Mr. Duggan, the general manager of the Coal Company, and himself, is on the records, and has not been denied. That was when Mr. Duggan said he had instructions from Mr. Ross not to deliver one pound of coal to the Steel Company that he could dispose of elsewhere.

The Steel directors met in Montreal on Friday and decided to call the postponed meeting of shareholders for Wednesday, October 2nd. While no concurrence in Mr. Ross' original action can be expressed, there is no question that a settlement of the difficulty should be arrived at. Mr. Ross showed a reasonable attitude when he evinced his willingness to negotiate an amalgamation of the two companies on the basis of giving one share of Coal common for 2½ shares of Steel common. The Financial Post believes this to be a thoroughly reasonable proposition, and one that should inure to the advantage of both parties. It is entirely in keeping with the origin of the Steel Company that it should be a harmonious sister of the Coal Company. As the proposition for amalgamation contemplated a separate management for each company it was free from an obvious objection that might be raised.

Whether this amalgamation can be carried out in the face of determined opposition, is another question. Even if Mr. Ross has control of sufficient shares and proxies in the Steel Company to carry a shareholders' meeting, it will be difficult, in the face of the court's decision, to force upon a determined and material minority any amalgamation upon terms other than fairly protective of their interests.

If amalgamation becomes impossible, there is another way out of the difficulty which appears to be agreeable to the Steel Company, viz., the lease by the Coal Company of a certain portion of their coal lands. This proposal has been scouted by certain Coal directors, but when the full effect of the judgment, if upheld, has been given force, it may be found to be the easier way of satisfying the Steel Company's claim, involving as it does no outlay of money by the defendant party.

This brings the discussion to the effect of the judgment on the financial situation of the two companies. Mr. Justice Longley concludes that a reference should be had as to the damages sustained by the Steel Company through the breach of contract. These damages include (a) the actual difference between the contract price under the agreement, and the price now paid under the modus vivendi; (b) the difference between the price paid for outside supplies of coal and the contract price; (c) the damage sustained by the Steel Company inthe autnm of 1906 owing to the closing down of the greater portion of their plant through lack of usable coal.

As regards future remedies from the date of the reference, the specific performance of the contract must be made.

In this relation it is to be understood that while the price of coal may be revised every five years, the contract between the two companies runs practically coincident with the lease from the Government by the Coal Company that is to say, until 2,002. The revision of price is, however, based on the cost of the mining of the coal and there is no opportunity for a recession of the contract, except by consent of the Steel Company. In 1908 the price of coal supplied may be advanced, but only in proportion, as the cost of production has increased. Thus, if it costs the Coal Company 40 per cent. more to mine the coal in 1908 than in 1903, the price advances from $1.24 per ton to about $1.75 per ton. Mr. Plummer intimated that he was prepared at any time to revise the price of the coal on this basis in advance of the contract period. Under the modus vivendi, the Steel Company has been paying close to $2.50 per ton. Up to the end of the Steel Company's year on May 31, 1907, for practically seven months the difference amounted to $810,713. The Steel Company has been using since that time approximately 80,000 tons a month, so that in the year the difference in price which the Coal Company must return to the Steel Company under the judgment, will be nearly $1,250,000. Up to the expiration of the present scale of prices in October, 1908, the total amount to be repaid by the Coal Company will be in the neighborhood of $2,500,000. The damages sustained by the Steel Company, owing to the closing of the plant in the autumn of 1906, should be about $250,000. If costs and interest are added, we have, therefore, a round sum of about $3,000,000 due from the Coal Company to the Steel Company in October, 1908. If the case is carried to the highest tribunal its conclusion will not have been reached by that date. The Steel Company will then be in an excellent position as regards its preferred stock. It will possess this contingent fund of $3,000,000 to pay back the deferred dividends on the $5,000,000 of preferred stock, amounting on Oct. 1, 1908, to $1,925,000. Assuming that its revenue continues on the same basis as for the year ending May 31, 1907, it will have on May 31, 1908, exclusive of the contingent account a balance of $750,000 available for dividends on the common. It will also have on May 31, 1908, a contingent account after providing for the interest up to that date on the preferred of $250,000, making a total of $1,000,000, equivalent to five per cent. on the common stock.

The Coal Company's situation, on the other hand, if the judgment continues to be upheld, and damages are enforced, will not be so pleasant. For the year ending Dec. 31, 1906, their net profits were $1,137,370. This statement practically did not include any of the higher returns gained from the increased price charged the Steel Company, under the modus vivendi. In the calendar years 1907 and 1908 the Coal Company may be able to increase its output so as to have funds to meet a portion of the contingent damage bill. It had a surplus at the end of last year of $1,825,940. Its fixed charges and interest on preferred stock amount to $505,555. The dividend on common stock absorbs $600,000. Consequently its normal revenue on the 1906 basis will not more than answer for the fixed charges and dividends.

On the other side of the ledger will be the increased profit under the modus vivendi, but how far the requirements of the Steel Company will infringe upon their output for other customers, it is difficult to determine, so that while the Steel Company is piling up a large contingent fund against the Coal Company, the result on the other side does not necessarily mean the accumulation by the Coal Company of a similar fund. The figures for the Coal Company's output thus far in 1907 do not admit of this fund being obtained to a full extent. At the same time, the Coal Company is financially strong.

The need of a settlement is, however, imperative on both sides.

The concentrator had a trial trip this week, and is expected to be in working order shortly. The development has now gone below the 75-foot level, and the next ten feet are disclosing very rich ore. The mine is estimated by its principal owners to have $7,000,000 above the 75-foot level. The bonus has been dropped for the present, as the strike impressed the necessity on the management of building up a large cash reserve. It is intended to make this reserve $250,000, and by the end of the year, it is anticipated that the payment of the bonus can be resumed.

BOND SITUATION

SIGNS OF A BETTER TONE IN THE GENERAL MARKET.

New York's New Bonds Go Over 105—Improvement in London — Grand Trunk Pacific Accepts Fort William's Bonds—The Depression Has Not Affected the Soundness of Municipal Securities.

There are signs of improvement in the bond market. The fact that New York City's new 4½ per cents sold on Thursday at 105⅞, or more than three points better than their issue price, is an indication of a better feeling. A demand for the unfortunate U.P. Convertible bonds also arose during the week. In our London letter, the noting of a better tone and the ready sale of London water bonds are worthy of emphasis. In Canada the situation remains unchanged.

The low market prices of municipal bonds to-day are not caused by any want of confidence in their security, but by reason of the unusual demand for money in Europe and America for all commercial purposes and by reason of a large increase in the amount of bonds, notes and stocks put on the market.

The fact that most European cities and some Governments are putting out 4 per cent. and 4½ per cent. bonds below par, and at that are finding difficulty in securing money, shows how world wide the stringency is. Even the City of London may have to go to 4½ per cent. In Germany, industrial concerns on gilt-edged bonds for short-time loans are paying 6 per cent. In the United States, according to Moody's Magazine, hundreds of millions of American bonds are held by syndicates, the most of which are more than one year old, and have been extended one or more times. It is said that many of these are now falling due, and that they will not again be renewed. The subscribers must arrange to take over their allotments and pay for them in full. This looks ominous for the bond market, but here again the worst may be fully discounted by present prices. The sales of bonds, both in the United States and Canada for the quarter ending Sept. 1, this year have been considerably less than for the same time last year. In one or two isolated cases, an increase of business is reported, but such is not general. One salesman for a New York bond house last year sold $1,750,000. This year his sales will barely reach the million mark.

He has been comparatively more successful this year than Canadian salesmen. According to the estimate of an important local bond house, the volume of business for the past quarter will not be more than sixty per cent. of that in the same quarter last year.

There has been little activity this week. No large deals have been reported. The town of Fort William has been called upon to pay the Grand Trunk Pacific $100,000, which is the amount of their first instalment of a bonus of $300,000, which the city in 1905 agreed to pay the railway if they would build their Lake Superior erminal at Fort William and spend $900,000 upon equipment and improvements in the city. This bonus was to be paid in three instalments—$100,000 each time the railway expended $300,000 in the city.

The Grand Trunk Pacific, in answer to a request of the Mayor, have written that they would accept the city's debentures at 90. As these are 30-year 4½ per cents, the yield is slightly over 5¼. This is a very fair stroke for the town and there is little doubt but that it will be accepted.

It is problematical what the future has in store for those interested in bonds. Probably money will get easier but when it becomes more free it is possible that a deluge of securities now being held back for a better market will be thrown upon the buyers in such quantities that the situation will not improve, in which case better bargains can be picked up. But, on the other hand the opinion is given wide currency that a steady improvement may be expected. Be all this as it may, of one thing we can be sure.

The security of Canadian municipal offerings has not been affected by the present depression, and the municipal offerings to-day, especially those which have had the approval of the bond dealers, should be very attractive for investors. They guarantee to a certainty an assured income. When time for payment comes, the interest never fails to be paid upon the date it comes due. These bonds are the most acceptable collateral for a loan if it is necessary to borrow. They yield an exceptionally high return over a long period of years. And while the prices may go lower, there is no doubt but that in the long run their value will appreciate considerably.

The Bank of Commerce has appointed Mr. H. M. Stewart manager at Macleod, to be manager at Vermilion. Mr. W. G. Lynch follows him at Macleod, and Mr. A. W. Larmour takes Mr. Lynch's place at Pincher Creek.

THE SECURITY REVIEW

THE WEEK ENGENDERS A MORE OPTOMISTIC TONE.

Standard Railway Issues Advance—Northern Pacific's Rise—The Copper Situation Pretty Well Discounted—The Frost in the Canadian West—Money Value of Crop Likely to Be Good—The Steel Company's Victory Had Little Effect—Notes on Leading Canadian Securities.

The week in the security markets generally has not been marked by any great price fluctuations. In London, while there is no great optimism, capital has evidently begun a process of accumulation. In Wall Street the blue feeling produced by the slump in coppers has, in a measure, spent itself, and standard railway issues are exhibiting a certain degree of strength, notably Northern Pacific, which, it is said on good authority, will make a cash dividend to its shareholders amounting in all to $20 a share as a condition precedent to the transfer of the Burlington equity to Great Northern.

In Canada the decision of the trial judge in favor of the Steel Company on practically every point at issue has been the important news of the week. On Tuesday the Coal shares dropped to 40, after a previous sale at 49, but Mr. James Ross, in the present condition of matters, is in no mood to see his favorite stock depressed, and the shares quickly recovered to 46 on Thursday, ex-dividend of one per cent. The Steel shares were not really affected as the decision had been discounted in a measure several weeks before.

Of more vital importance was the news from the Northwest, and the occurrence of repeated frosts in Saskatchewan and Alberta. It is difficult to estimate the damage done. It is most unlikely that the wheat crop of the Northwest provinces will exceed a total of 70,000,000 bushels, as against nearly 95,000,000 last year. The wheat will, undoubtedly, be of inferior quality to the normal, but its money value will be good, as there is every prospect of feed grain selling almost as high as high-quality wheat last year. With the large increase in price for other cereals, the value of the western crop should not be seriously below last year, and probably $10,000,000 will cover the difference. The crop may result worse than the estimate, above, which seems to be pretty near a maximum. The main difficulty will be the individual losses, which will be felt in every district.

The banks in Canada have not as yet altered their position greatly. Money remains extremely tight, and there are no signs of release, but the precautions that have been in progress for the past three months are having their effect. there are prophets of ill omen, who say that on account of the unprecedented expansion in this country, the banks are going to have a very serious six months. It is true that ready money has seldom been so limited, but the situation is intrinsically sound and it is pretty safe to say that the banks are all in a safer position than in 1894, when all over the continent there was an outcry for money similar to that now experienced in this market. It was in that year that Northern Pacific went into the hands of a receiver, and it was in the previous year that C.P.R. did not earn its fixed charges. Thirteen years ago in December the banks of Newfoundland failed, and in July, 1894, the Commercial Bank of Winnipeg smashed. Bank failures in the United States were numerous, but our own institutions pulled through. There is no such parlous condition of affairs likely to result at this period. Securities all over the world have been liquidated and values are on a sound basis, with the result that the investor is buying at intervals. This fact has been evidenced by the New York Central's action. While declaring its usual dividend it announces that it requires more time for preparation of the cheques, owing, undoubtedly, to the large increase in the shareholders' list. As an American country gentleman remarked to The Financial Post, "When New York Central goes down to par, we know it is time to put our surplus money into it."

Judge Gary of the United States Steel Corporation, who returned from Europe, gave a distinctly optimistic utterance on Monday, pointing to the crop values of the United States, which he estimated at $7,000,000,000.

Fears were expressed early in the week that the slump in copper presaged a decline in other basic commodities, and that steel must follow suit. Copper, however, has been in a different position from the other manufactured metals and its price was unduly inflated. Its market has not in recent years been a stable one, and the rise in price to 26 cents was undue and such a process would have been avoided by a well-balanced trust. Wall Street has, however, pretty well discounted the copper situation.

The rise in New York city bonds to over 105 was another very healthy indication. In fact, altogether it has been a week which has engendered a decidedly better tone generally, although Canada is in an exceptional situation, Still, the reflective force of American prosperity will be felt here and the trend of capital when it becomes more liquid should be in our direction.

The Bank of England's statement on Thursday was of a most encouraging character and the increases in reserve and public deposits were marked. There is no reason to believe that the bank will reduce its rate shortly, as has been suggested, but it looks as though there would be no six per cent., as occurred last autumn. In Canada the rates for money are hardening and while banks are trying to do their best for their regular customers, on small loans, in the course of general business, they are making rates as high as nine per cent.

The harvest in the United States is estimated to bring in value $300,000,000 more than last year's banner crop. The wheat crop is estimated at 624,500,000 bushels, as against 735,260,000 bushels last year. The increase in the monetary value is a great bullish factor. As regards qualities, the U.S. crops are thus estimated:

	Estimated Sept., 1907	Final 1906.
Wheat—		
Winter	409,500,000	492,888,000
Spring	215,000,000	242,372,000
Totals	624,500,000	735,260,000
Corn	2,518,000,000	2,917,000,000
Oats	763,000,000	964,000,000
Rye	31,000,000	33,374,000
Barley	157,000,000	178,916,000
Total	4,093,500,000	4,838,550,000

Soo.

The meeting of the shareholders on Sept. 17, ratified the issue of $14,000,000 additional common, and $7,000,000 additional preferred stock. Of this amount there will be issued forthwith to shareholders of record on Sept. 27th, $1,400,000 preferred, and $2,800,000 common, At current prices the rights are not attractive. The holder of five shares of common stock is entitled to subscribe to one-half share of new preferred and one share of common. The holder of ten shares of common, placing the original cost at par, receives $1,400 worth of stock at market prices for an expenditure of $1,300. The holder of five shares of preferred stock will be entitled to subscribe for one share of new preferred and two shares of new common. He makes 30 points on the share of preferred and loses 10 points on the two shares of common. It is said that the issue has been underwritten. The fact that C.P.R. takes care of 51 per cent. of the new stock assists the situation. It is still stated in authoritative quarters that an increased dividend will be announced on the common stock shortly. This proceeding would appear to be necessary to secure the success of the new issues. The earnings for year ending June 30th, 1907, show over 17 per cent. on the common.

Dominion Steel.

The market has been active during the week with the net result that the common stock is lower than before the judgment. It is thought that the selling has come from the Coal interests who have, perhaps, given up the idea that they can secure enough proxies to control the shareholders' meeting. Mr. Rodolphe Forget, who was selling Steel common on a higher level, appeared in the market as a purchaser on Thursday. On that day 1,200 shares changed hands around 21. If Mr. Ross is selling he has made a fair profit on his steel shares.

Dominion Coal.

Mr. James Ross has issued a criticism of Hon. Mr. Justice Longley's judgment. In view of the far-reaching character of that judgment, Mr. Ross' lawyer's objections appear rather of a quibbling character. Mr. Ross voices them as follows:

"Firstly—The judge first refers to clause 1, as a clause dealing with quantity, and endeavors to make that clause deal with the quality, omitting the words 'upon the terms and conditions hereinafter mentioned,' which terms and conditions are specified in clause 3.

"And he then attempts to get rid of clause 3 by saying that that clause does not specify the terms and conditions as to quality by which the Coal Company is bound.

"The clause says on its face it is a specification as to quality.

"He then adds to that specification a term as to suitability which would make any specification unnecessary, and a term by which the Coal Company express they are affected. In other words, the judge makes a contract for the Coal Company which it refused to make, and he declined to accept proof of such refusal.

"Secondly—Judge Longley quotes a conversation with a Coal director when it helps his judgment, but he ignores Mr. Plummer's letter to Mr Duggan, and his acknowledged interview with Mr. Fraser in behalf of which Mr. Plummer states within a short time after the contract was made that the Steel Company had to take their chance of sulphur in the coals, provided the coal came from the Phelan seam and complied with the specifications as to quality."

Consumers' Gas.

On small transactions the shares have declined to 193 in view of the new issue of $450,000 on Dec. 12. The disposal of this quantity so soon after the sale in June would naturally have a depressing effect. The management believe, however, in cleaning up their accounts for the expenditure on the new plant.

Nipissing.

The declaration of the regular quarterly dividend of 3 per cent., payable Oct. 21, had a strengthening effect on the shares which sold up to 8¾ on Friday on the local curb. On Sept. 17, Nipissing's cash and cash assets totalled $805,950, as compared with $755,000 on July 1. The October dividend absorbs $180,000.

(Continued on Page 4).

LONDON GREATLY IMPROVED

CANADIAN SECURITIES STILL HANG FIRE.

The Improvement in Consols—Home Rails Gaining—The Question of Trade Reaction—Followed by Foreign Dumping—Great Britain in Better Shape to Resist It—The Expansion on the Rand.

London, Sept. 12.—The gradual improvement in the tone of our stock markets is still noticeable, but Canadian securities have not been in favor to as great an extent as other groups. One trouble is that Canadian Pacifics are still influenced by the vagaries of the American market, which, in its turn, appears to be affected more by the course of copper quotations than by factors affecting the intrinsic values of the railroad stocks. There are ready buyers for Canadian Pacifics, however, whenever they dip under 170, a level at which investors here regard them as quite safe to buy, but to which they slip back on any slump in Wall Street. With Grand Trunk issues the market is adopting a waiting policy. Some are waiting to hear the directors' explanation of their pension fund "surprise packet"; others are waiting to give the Board at the meeting a slight idea of the language in which their policy has been discussed in the vicinity of Throgmorten street. Gross traffic returns for both the leading companies continue excellent—the Grand Trunk figures for several weeks have exceeded estimates by several thousands of pounds, but of what service is this, ask the shareholders, with a directorate so versatile in discovering means of diverting net earnings from dividends.

Improvement in Consols.

The steady improvement in the price of consols is a welcome feature. They have been in short supply this week, and although sinking fund purchases have been very small, have steadily advanced to 82¼, other gilt-edged stocks being marked up sympathetically. I have previously referred to the cheapness of some of these issues, especially Water Board stock, which, secured on the rates of London and of surrounding districts, as well as on the metropolitan water undertaking at 88, yields 3.85 per cent. This does not compare, of course, with New York's new 4½ per cent. bonds at a little over 102, but it is a better return than is obtainable on many British provincial municipal stocks. The Home Railway market has shown a better tone, but this is, I am afraid, due rather to a little closing of bear accounts, than to investment buying, although the traffics of the big trade lines still show remarkably well—for last week the Midland, Northwestern and Northeastern, each securing a gross gain of about £20,000, and they have not, as with your Canadian systems, increased mileage to assist them.

Is Trade Reaction Pending.

Apart from the labor cloud, an adverse factor for the railway market—and, for the matter of that, for our leading industrial stocks—is the fear that trade reaction is at hand, not only here, but throughout the world. This means, presumably, that we shall again experience a season of dumping from our foreign competitors, particularly from the United States and Germany, but, fortunately, the iron and steel industry, which will be chiefly affected thereby, is in a far stronger position to cope with the situation than a few years ago. In the interval, old-fashioned plants have been remodelled, and in many instances rebuilt out of the profits secured during the period of prosperity. Reserve funds have been strengthened and many of the smaller and weaker companies which caused much of the trouble in the last slump, have been acquired by the more important combinations. Sooner or later a federation of all the leading British iron and steel companies—probably with a working arrangement with foreign competitors—is inevitable. Trade reaction would do much to further the project. Rubber shares continue quiet, the brightest spot of our industrial markets, and although production is increasing enormously, there is, according to those interested in the industry, no chance of supplies of rubber overtaking the demand for several years to come.

Expanding Rand Output.

The latest output gold figures from the Transvaal serve to emphasize the progress of the Rand industry. Chinese repatriation is now in full swing, but instead of the signs of impending ruin, which the politicians had led the market to expect, we have an output for August of nearly 50,000 ounces in excess of any previous record. Native labor supplies are increasing, and the Colonial Government gives an earnest of its intention of helping the industry by the announcement of the establishment of an experimental training mine for white miners. I look for a gradual expansion of interest in the South African mining market during the next few months, and any revival in quotations in this direction will give all sections of our stock exchanges a fillip.

G. J. H.

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Capital Paid up	**$1,000,000.00**
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DIRECTORS:

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Head Office: TORONTO

W. D. ROSS, GENERAL MANAGER.

GENERAL BANKING BUSINESS. SAVINGS DEPARTMENT AT ALL BRANCHES

BANQUE D'HOCHELAGA

Capital Authorized, $4,000,000

Capital paid up, $2,482,000 Rest and undivided profits, $2,045,894

DIRECTORS:

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ROBT. BICKERDIKE, ESQ., M.P. - - - Vice-President
HON. J. D. ROLLAND, ESQ.
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KEEP RIGHT ON WORKING.

XXXVII.

"All this talk about success being impossible after a certain age or unless assisted by certain conditions, makes me sick," recently declared a business man whose name is in itself a success synonym. "Of course, it is easier to do good work under some conditions than others, while some kinds of work naturally are to be preferred above their fellows. But, given a worker of the right spunk and spirit and I'll back him to win finally, anywhere, any time."

The true success stories which now and again crop up in every large city would seem to attest the reasonable correctness of this view. There are men apparently predestined to success, who apparently fall into advantageous circumstances, landing on their financial feet at every turn and twist of fortune's wheel. There are other men, who, no matter how unfavorable the situation, manage to extract a surprising success element from it, doing this by sheer force of grit, persistence, and downright hard work. The "luck that is spelled with a capital P" may be trusted to hold and to win out over and above every other kind of luck, 99 times out of a possible hundred, says T. D. Davis, in the Chicago Tribune.

Nine years ago a married man and woman, industrious, earnest, with a long record of good working and good living behind them, found themselves suddenly facing a penniless old age, and with two half-grown children, a girl and a boy, still looking to them for support.

The fresh start—and the wife never before had done work outside her home—was made in a field peculiarly unattractive, though the only one that offered. The agency of a new kind of insect powder was given the husband, and the wife turned to and helped him sell it—in the poorer neighborhoods and from door to door. It was back-breaking work, going up and down long stairs, from one entrance to another; sometimes it also seemed heartbreaking.

In the nine years intervening between the sad crash of earlier plans and hopes and the cheery future outlook, a house and lot have been purchased and paid for from their savings, with taxes, improvements, etc. The growing boy and girl have been carried through the conclusion of school and high school, with music lessons and other "extras" to add to their comfort, happiness and life chances. All the members of the family have been well kept, well fed, neatly dressed, happy and comfortable. The health of the brave parents is better than it was at the beginning of their arduous session, while the carking fear of an impoverished old age no longer grinds and tears their hearts. The selling of insect powder represents a means of livelihood-making few would care to tackle, save, as did the hero and heroine of the present story, under the spur of necessity.

A worthy Englishman, long a resident of America, some years since found himself confronted with the trying problem of broken health, a delicate, if stout-hearted wife, and the doctor's grave warning that to go back to office work, even if a position could be found, inevitably would mean death—and the husband carried no insurance. The outlook was dark, but the man and woman sat down cheerfully to discuss it. Presently a bright idea gave a glimpse of cheer and courage. The wife made English muffins that were the delight and envy of many a friend and neighbor. It was decided that she should make up a particularly delicious batch of muffins and the husband would try to sell them. Moderate success came from the first, profits were deposited in the savings bank each week, and 'ere long a horse and delivery wagon became a necessity. By the time the husband's health was sufficiently re-established to admit of a return to the work he liked better, the nice little business sold for a pleasing sum.

A girl stenographer, stranded, out of a position, did odd jobs of sewing and mending for the more fortunate inmates of the women's boarding house where she lived. Presently she found herself making more money by the placing of new skirt bindings, construction of dainty stocks, etc., than she had made by stenography. From this small, accidental beginning, a good business grew. Many an impoverished college student, hard-up but dauntless, could tell a similar tale.

The trained nurse courses and enthusiasm put an end—and justly—to the careless, hit or miss, unhygienic old-time care for the sick, but the high prices demanded and deserved by the trim, clever wearers of stripes and cap naturally render her value prohibitive to many. In almost every neighborhood may be found one woman, if no more, who, lacking hospital training, is well supplied with sympathy, common sense, and the deft endurance needed in the sick room. Such women are sure of generous employment, though not long since popular opinion declared their occupation quite as extinct as Othello's.

WORKING AND WORRYING.

Are you a worrier or a worker? You cannot be both, because the worrier has no time for work, and the worker has no time for worrying. The worry path and the work path lead in opposite directions. One leads to failure and the other to success. It is a matter of choice, and it makes a lot of difference in appearance and results. The worrier has a worn and impatient-looking face. The worker is brisk and has an infectious manner. The worrier looks, and is, down at the heel. The worker looks, and is, successful. What is your choice?

BANK OF B N. A.

Depreciation in Consols Reduces Profits—A Satisfactory Half-Year.

The full particulars of the Bank of British North America's half-yearly statement are now to hand, and in view of the fact that the bank, following the English practice, has transferred from profits the sum of £6,060, and has increased its cash and specie by £175,057, it is a satisfactory exhibit. The net profits for the half-year were £48,527, as compared with £61,761 for the corresponding six months in 1906. Deposits have gained slightly by nearly £2,000. There is available for the October dividend of 30 shillings a share, £66,200, and as this dividend absorbs only £30,000, the bank carries forward a balance of £36,200, which is larger than at the end of 1906.

The financial statement, which is certified to by chartered accountants for the half-year up to June 29, is as follows:

Balance Sheet, June 29, 1907.

Dr.	£	s.	d.	£	s.	d.
To capital ... 20 000 shares of £50 each fully paid.				1,000,000	0	0
To Reserve Fund ...				460,000	0	0
To Deposits and Current Accounts ...				4,746,455	4	10
To Notes in Circulation ...				689,231	18	2
To bills payable and other liabilities, including provision for contingencies ...				3,978,806	9	7
To Rebate Account ...				26,451	12	3
To liabilities on endorsements ...	168,229	10	2			
To liability under Guarantee in respect of which no claim is anticipated ...	$200,000					
To profit and loss account— Balance brought forward from 31st December, 1906 ...	59,610	18	7			
Dividend paid April, 1907 ..£30,000 0 0 Bonus paid April, 1907 ..... 10,000 0 0	40,000	0	0			
	19,610	18	7			
Net profit for the half-year ending this date, after deducting all current charges, and providing for bad and doubtful debts ...	48,527	11	9			
	68,138	10	4			
Deduct— Transferred to Officers', Widows' & Orphans Fund ... 513 14 0 Transferred to Officers' Pension Fund ... 1,424 15 11	1,938	9	11			
Balance available for October dividend				66,200	0	5
				£10,967,145	5	3
Cr.	£	s.	d.	£	s.	d.
By cash and specie at Bankers and in hand.	1,074,265	17	5			
By cash at call and short notice ...	2,493,480	2	0			
				3,567,745	19	5
By investments— Consols £303,000 at 83...£251,490 0 0 National war loan, £50,000 at 90 ... 45,000 0 0	296,490	0	0			
Dominion of Canada bonds, £157,000 at 97 ...	152,290	0	0			
Other investments ...	106,966	15	7			
				555,746	15	7
By bills receivable, loans on security and other accounts ...				6,645,151	8	10
By bank premises, etc., in London, and at the branches ...				164,026	11	0
By deposit with Dominion Government required by Act of Parliament for security of general bank note circulation...				34,474	10	5
				£10,967,145	5	3

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE, TORONTO ESTABLISHED 1867

B. E. WALKER, President.
ALEX. LAIRD, General Manager,
A. H. IRELAND, Superintendent of Branches

Paid-up Capital,	$10,000,000
Rest, - - - -	5,000,000
Total Assets, -	113,000,000

BOARD OF DIRECTORS:

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This Bank transacts every description of Banking Business, including the issue of Letters of Credit and Drafts on Foreign Countries, and will negotiate or receive for collection bills on any place where there is a bank or banker.

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The Bank of England; The Bank of Scotland; Lloyds Bank, Limited; The Union of London and Smiths Bank, Limited

The Dominion Bank

HEAD OFFICE - TORONTO, ONT.

Capital Paid-up	**$3,600,000**
Reserve Fund and Undivided Profits	**4,565,000**
Deposits by the Public	**35,000,000**
Total Assets	**50,000,000**

DIRECTORS.

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THE BANK OF TORONTO

Incorporated 1855

HEAD OFFICE, TORONTO, ONT.

Capital	**$4,000,000**
Rest	**4,500,000**
Assets	**38,000,000**

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CHICAGO - - - First National Bank
LONDON, ENG. - London City and Midland Bank

THE BANK OF TORONTO

PROVERBS OF BENJAMIN FRANKLIN.

For age and want save while you may; no morning sun lasts a whole day.

The maxim of the thrifty Dutch is to save all the money they can touch.

If you know how to spend less than you get, you have the Philosopher's Stone.

Diligence is the mother of good luck.

God helps them that help themselves.

A penny saved is two pence clear. A pin a day is a gross a year. Save and have.

A light purse is a heavy curse.

If you would know the value of money go and try to borrow some.

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OF CANADA

Head Office, 50 Yonge Street, Toronto

THIS BANK IS EQUIPPED TO TRANSACT A GENERAL BANKING BUSINESS IN ALL ITS BRANCHES AND WILL, THEREFORE, WELCOME ACCOUNTS OF FIRMS, CORPORATIONS AND INDIVIDUALS, TO WHOM IT ASSURES COURTEOUS TREATMENT AND EVERY FACILITY CONSISTENT WITH PRUDENT AND CONSERVATIVE BANKING METHODS.

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General Manager.

Toronto Humane Society

103 Bay Street

President—Ven. Archdeacon Sweeny, D.D.
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TELEPHONE M. 1958

Contributions for the work earnestly requested.

Dora Speers, Secretary

THE WALL STREET JOURNAL

Founded 1882

Largest Circulation of any Financial Paper in America $1 a month; $12 a year. DOW, JONES & Co., Publishers, 44 Broad St., NEW YORK, N. Y.

Be slow to choose a friend; slower to change.

Beware of little expenses; a small leak will sink a whole ship.

Men rarely possess wealth; it possesses them.

A lie stands on one leg, truth on two.

See what savings will do at compound interest: Benjamin Franklin wanted to leave the cities of Philadelphia and Boston a legacy. He had $10.000 to be divided, and he directed that each city put out its $5,000 at compound interest for 100 years.

At five per cent., in one century would grow to $655,000. The $600,000 was to be spent in civic improvements and the $55,000 again put out at compound interest. By the end of the second century this $55,000 would have grown to $20,305,000.

THE
ROYAL BANK
OF CANADA
INCORPORATED 1869
Capital paid up - - $3,900,000
Reserve - - - $4,390,000
Total Assets - - - $46,400,000
HEAD OFFICE - - - - MONTREAL
EDSON L. PEASE, General Manager
Seventy-nine Branches in Canada
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The Sovereign Bank of Canada
Head Office, Toronto
Capital, all Paid Up : $3,000,000
ÆMILIUS JARVIS - President
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BANK NOTES.

Messrs. A. Bell, manager of the London office of Lloyd's Bank, and H. Baird, a director of Lloyd's, have been visiting Canada and have made a tour of the Northwest over the Canadian Northern lines. They express themselves as greatly impressed.

Mr. Frank Patton, manager of the Dominion Bank, Winnipeg, who has been in Toronto for the past week, returned to the west on Friday.

Mr. M. A. Macfarlane, formerly secretary to Mr. James Mackinnon, general manager of the Eastern Townships Bank, has been appointed manager of the west end branch of the Bank of Montreal.

Mr. R. W. Crompton, until lately manager of the Bank of Commerce at Collingwood, has been appointed chief inspector of the Sovereign Bank to succeed Mr. L. P. Synder, who has resigned.

Mr. A. St. L. Trigge, who has recently been appointed secretary of the Bank of Commerce, to succeed Mr. F. G. Jemmett, general manager of the Sovereign, has been in the service of the bank eighteen years, and heretofore held the post of assistant secretary.

Mr. D. M. Sanson has been appointed manager of the Bank of Commerce at Dawson City, being transferred from Red Deer. Mr. R. M. Saunders, of the Peterboro branch, has been transferred to the Yukon capital as accountant, succeeding Mr. W. L. Gibson, who takes Mr. Sanson's place at Red Deer.

The Bank of Commerce has transferred Mr. L. M. De Gex, as manager from Penticton, to Ladysmith, Mr. J. J. Hunter being made manager at Penticton in his place.

In place of Mr. R. W. Crompton, who has joined the Sovereign Bank, Mr. C. D. Nevill, has been appointed manager at Collingwood, Mr. E. G. Shannon has followed him at Prince Albert, and Mr. A. E. Curie, accountant at Halifax, is now manager at Parrsboro.

The following appointments in the Bank of Montreal's service:

J. M. G. Crerar, of St. John's, Nfld., to be acting accountant at Amherst.

F. Merrett, accountant at Peterboro, to be accountant at Cornwall.

G. S. Hensley, accountant at London, Ont., to be accountant at Hamilton.

J. G. Hungerford, of Toronto branch, to be accountant at London, Ont.

R. R. Wallace, accountant at Hamilton, to be accountant at Winnipeg.

Frosting of Wheat

SASKATCHEWAN WILL SUFFER SEVERELY.

The Snow in Alberta—Our Estimate Will Not Be Under the Mark—Extent of Damage Cannot Be Determined—The Wheat is Grading Low—Last Year's Shipments—The Winnipeg Grain Exchange—Business Conditions in the West.

Winnipeg, Sept. 16.—The past week would be hard to beat for sudden changes. Frost had been predicted for the nights of Saturday, the 7th, and Sunday, the 8th. When this did not materialize and when Monday, the 9th, opened up beautifully, fine and warm, everyone's hopes beat high and one began to think that the newspaper estimates might, after all, be realized. Tuesday, the 10th, was also as favorable a day as could be desired, but, alas when the Government forecast was published it was seen that a sudden change was likely and that a cold snap was approaching. In Saskatchewan, there were quite heavy frosts on the three succeeding nights, which, we fear, would kill a good deal of crops outright and injure the grade of a large percentage. In Manitoba, the thermometer did not go so low, owing to the fact that rain and damp weather set in, which, while stopping harvest work for the time, kept away a severe frost. Alberta seems to have suffered the worst from this bad spell, for there it took the form of a snowstorm, which beat down the crop not already cut, so that it will make the harvesting difficult. They also had severe frost, the thermometer going as low as 20 in some places. We estimate that cutting was half done in Alberta, and fully seventy-five per cent. done in Manitoba before the 11th, so that the bad weather will hurt these two Provinces less than the Province of Saskatchewan. In the latter not more than thirty per cent .was cut, so that the damage is bound to have been great. It is impossible to tell exactly how much the yield has been reduced, but we do not think that our estimate of 65,000,000 to 70,000,000 bushels, will be too low. If the West has a wheat crop of seventy million bushels this year, it is as much as we can hope for. This may be too pessimistic a view to take, and we know many people, bankers, and others, well posted on Western conditions, have issued considerably more hopeful estimates. Nevertheless, we cannot see things in the same optimistic light though we shall be as much pleased as anyone if their views are right, and ours wrong. As regards the quality and grading of the new crop, a large percentage is bound to be injured by frost. It is probable that sixty per cent. will grade three Northern or lower. There have been a few cars of new wheat received from points in Manitoba, and these are mostly touched with frost, and have graded three Northern. It is important now that there should be good, dry weather so that the farmers may finish cutting and may save the grain in good condition for keeping.

The past two days have been dry and windy, which is just what is wanted. Threshing will be general in Manitoba this week if it continues. This is, of course, much later than other years. For instance, the receipts for the week last year were 1,057 cars of new crop, whereas this year they were not more than ten cars.

An interesting statement has been issued from Fort William of the shipments of grain for the past season. The Canadian Pacific handled 42,928 cars of wheat, and 49,900 cars of all grain. The Canadian Northern handled 14,950 cars of wheat, and 17,305 cars of all grain. It also shows that out of 51,719,950 bushels of wheat shipped, 11½ million went to ports or the St. Lawrence, through the Welland Canal, while 17 million bushels were shipped to Buffalo. The balance was distributed between Port Huron and the ports on the Georgian Bay. Canadian vessels carried 37,967 505 bushels, while American vessels only carried 13,752,444. The point to be noticed is the large amount of wheat exported via Buffalo. This is largely accounted for by the blockade which prevailed at Eastern Canadian ports, where the elevators were filled so that the grain had to seek another outlet. No doubt some wheat will go to Buffalo each year, but we would like to see the proportion grow smaller until we come finally to ship out the whole crop by the St. Lawrence.

The annual meeting of the Grain Exchange was held this week and Mr. John Flemming was elected president. The address of the retiring president, Mr. Bettingen, was a most important one. He had to record the searching scrutiny that the Exchange underwent during 1906 and 1907, at the hands of the Royal Commission, and also that three members were prosecuted on the ground that they were restraining trade. He declared that the exchange had been vindicated by both the civil and judicial authorities. This is certainly so in regard to the prosecution, as Judge Phippen dismissed the case against the members charged. The Commission have not issued their report yet, but it is certain it will be in favor of the exchange. There is nothing that could take the place of an exchange, and the Commission seemed to realize when in Winnipeg that its existence was necessary in order to protect the banks when they make their large advances for financing the crop. It is to be hoped that a better feeling between the producers and dealers will result from all the investigations that have been going on. If they would only see it, their interests are the same, and in order to get the farmer the best prices, a big market is necessary, when quotations are posted regularly, and offers can be received from all the other markets of the world.

Business generally over the West is quiet. Wholesalers are not ordering freely, owing to the tightness of money and the uncertainty of the crops. Lumber is not selling so fast as it was, on account of the decreased amount of building. This is noticeable both in the city and in country towns. In Winnipeg, there are plenty of houses for rent, a condition which has not prevailed for the past five years. This does not mean that there are too many houses in the city, for there are not. It means that for the past five years there have been enough and that at last there seems a chance of the building catching up with the population. One can now hope to rent a house at a reasonable rent, whereas a year or two ago it was impossible to rent one on any terms. The tightness of money is not unlikely to cause another shortage of houses; for very few have been built this summer, and there is no doubt the city of Winnipeg is destined to make a steady increase of population right along.

COBALT OUTPUT.

A Week of Small Shipments—Silver Queen and Foster to the Fore.

The shipments from Cobalt for last week ending Sept. 14, were small and the usual large producers, such as Coniagas, Nipissing and O'Brien, did not ship. The Silver Queen, which has been a most satisfactory producer of high-grade ore, sent out two carloads. The Foster shareholders are enheartened by a car of high quality, and it is thought the mine can sened out at least one car of good ore each month, as it did in July and August. The Buffalo mine is a consistent shipper.

Week Ending Sept. 14.

	Lbs.
Silver Queen	120,000
Foster	62,950
Buffalo	60,000
La Rose	43,800
Total (lbs.)	286,750

Shipments for year to date:

Coniagas	4,367,660
Nipissing	3,805,340
O'Brien	2,285,381
Buffalo	1,784,300
Trethewey	1,210,718
La Rose	1,092,103
Silver Queen	772,418
Kerr Lake	373,780
Foster	319,300
Townsite	202,230
Green Meehan	196,790
Temiskaming	173,511
Nova Scotia	156,000
Cobalt Central	141,877
McKinley-Darragh	140,000
Right of Way	134,530
Hudson Bay	90,670
Colonial	74,250
University	61,385
Red Rock	40,000
Drummond	44,090
Silver Leaf	43,518
Imperial	37,350
Total lbs.	17,672,001
Total tons	8,836

The shipments by months are:

	July.	August.
Coniagas	1,178,390	288,640
Nipissing	226,695	1,020,763
O'Brien	......	61,000
Buffalo	240,000	380,000
Trethewey	50,000	65,000
La Rose	140,115	148,405
Silver Queen	87,000	176,000
Kerr Lake	......	124,780
Foster	52,000	64,000
McKinley-Darragh	80,000	......
Cobalt Townsite	......	66,000
Temiskaming	......	119,011
Hudson Bay	45,170	......
Colonial	34,250	74,250
Silver Leaf	43,518	......
Imperial	37,530	66,000
Total lbs.		17,385,451
Total tons	1,107.33	1,289.75

	May. Lbs.	June. Lbs.
Coniagas	682,920	1,589,640
O'Brien	557,290	64,520
Nipissing	433,310	477,450
Trethewey	229,020	224,200
Buffalo	82,770	281,130
Hudson Bay	55,500	....
Temiskaming	54,500	....
Townsite	46,070	....
Silver Queen	44,000	124,580
Cobalt Central	40,000	....
Right of Way	1,400	129,330
La Rose	....	316,216
Kerr Lake	....	94,000
Colonial	....	40,000
Drummond	....	44,090
Foster	..	40,000
	2,226,780	3,425,156

	March.	April.
Nipissing	565,801	
O'Brien	403,470	389,160
Buffalo	241,400	40,000
Trethewey	296,440	167,410
Coniagas	127,920	217,350
La Rose	65,000	
Green-Meehan		67,200
Cobalt Central	34,920	
Foster		
Kerr Lake		80,000
Cobalt Townsite	43,000	
McKinley-Darragh		
Red Rock	40,000	
Right of Way	3,800	
Totals lbs.	1,821,751	961,120

	Jan.	Feb.
Nipissing	623,701	457,620
O'Brien	419,831	390,110
Buffalo	240,000	1,564,300
Trethewey		178,648
Coniagas	174,220	108,580
La Rose	123,500	175,067
Silver Queen	125,683	94,885
Green Meehan	61,210	68,380
Foster	43,600	56,750
Kerr Lake		75,000
Cobalt Central		66,957
University	61,385	
McKinley-Darragh	60,000	
Cobalt Townsite	47,160	
Nova Scotia		30,000
Total lbs.	2,019,290	1,821,997

BANK OF
NOVA SCOTIA
INCORPORATED 1832
Capital - - - - $3,000,000
Reserve Fund - - - - $5,250,000
Head Office: HALIFAX, N.S. General Manager's Office TORONTO
A general banking business transacted
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Interest added four times a year
FOR THE INFORMATION OF DEPOSITORS
This is the only Bank having its Head Office in Canada that submits its books and statements to examination by strictly independent auditor.

ESTABLISHED 1873
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Head Office, - - - - Toronto
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The accounts of Commercial, Manufacturing and Business firms solicited.
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THE BANK OF OTTAWA
Head Office: Ottawa, Ont.
Capital, - - - - $3,000,000
Rest and Undivided Profits, - - 3,236,513
Branches and Agents throughout the Dominion of Canada.
Savings Department in connection with all Branches.
GEORGE BURN, General Manager

GET IN TOUCH WITH ME—
I specialize in UNUSUAL investment opportunities in solid industrial enterprises.
Just now I know of several things that offer a very rare chance to the man with a few hundreds—straight-out industrial investments of the kind only a few people hear of in time to buy shares at bed-rock prices. Write to me if you have any idle money that you might put to work on the right terms.
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FINANCIAL AGENT
303 Board of Trade Building, MONTREAL

ALFRED B. WILLIS
Mining Engineer
23 TORONTO STREET, TORONTO

THE RUBY SILVER MINING & DEVELOPING CO., LIMITED
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Empire
Bank of Canada
"This Bank shows a steadily increasing patronage, due to its strength, conservatism and general policy. If you have in mind the opening of a new account, either savings or checking, we cordially invite you to become a depositor"
George P. Reid, General Manager

Mr. H. L. Edmonds, manager of the Bank of Commerce at Innisfail, has been appointed to Fernie, being succeeded by Mr. Wm. Hilborn, late accountant at Amherst.

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Heat and Power
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Bonds
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at very attractive price.
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THE FINANCIAL POST
OF CANADA

A weekly newspaper aiming to present to the public in a popular manner accurate information relating to the financial interests and legitimate investments of Twentieth Century Canada.

No paid advertising will be inserted in the reading columns unless marked "Advertisement" excepting in he case of Official reports of annual or other meetings of corporations.

The acceptance and insertion of an advertisement shall in no way be taken as an indication of the approval of the editoral department; the latter shall be free to comment or criticize, if necessary, as their study of the situation demands.

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President, - - - John Bayne MacLean
Managing Editor, - - - Stewart Houston

Toronto, September 21, 1907.

IMPROPER USE OF A NAME.

In spite of any statements made by a promoter prolific in producing fiction, the flotation of the "National Bank of Canada," which was occupying in its advertisements two pages of the daily newspapers in Winnipeg, was foredoomed to failure. How much importance was attached to the project by one of the original directors is evidenced by the fact that he presented to The Financial Post his receipt for one share of the founders' stock, which includes two of the common shares, and also $1,000 of the capital stock of the Canadian Banking Corporation of London, England.

Every detail of this absurd flotation has been a source of difficulty to the promoter.

In their prospectus, the name of the Bank of British North America was mentioned as the bankers for the undertaking, and this fact was mentioned by The Financial Post, in the full belief that such use of the bank's title was unwarranted. How true this belief was is evidenced by the following letter, and The Post regrets that it was not in possession of the information at the time. Although it is apparent on a comparison of the dates, that in spite of his disclaimer to Mr. Stikeman, the promoter was mailing prospectuses containing the unauthorized name of the Bank of British North America, whose general manager writes The Financial Post as follows:

Montreal, 16th September, 1907.

The Managing Editor, Financial Post,
10 Front St. East, Toronto.

Dear Sir:

In your issue of 7th inst., in which you criticize the prospectus of the National Bank of Canada and in so doing state amongst other things that the bankers mentioned on the prospectus are the Bank of British North America, Winnipeg, from which the public would naturally conclude that this bank had given their consent to its name appearing as the bankers of the proposed bank, I may say that no authority has been given for the use of this bank's name in any form whatever in connection with the establishment of the National Bank of Canada, and that as soon as it came to the knowledge of the bank that its name was so being used, the secretary was written to and notified to remove this bank's name from their prospectus, and under date of 22nd August, Mr. Malcolm wrote a letter to the manager of this bank at Winnipeg, stating that the name of this bank had been removed from the prospectus of the National Bank of Canada, as requested, and at the same time he enclosed a copy of the prospectus, as it appeared at that date, from which the name of this bank had been omitted.

Yours truly,
H. Stikeman,
General Manager.

RECESSIONAL.

The outcry against the banks that has been proceeding from certain individuals (who do not hesitate to thrust their tinkering tongs into the fire of a most difficult subject), and that has been reverberated throughout the provincial press, has reached a volume hitherto unknown in Canada. It is not a new condition in other countries. In times of stress and panic there are always critics of the action of the financial authorities. On these occasions the cure-alls arise and sometimes they have applied their remedies in legislation with most disastrous results. Even the most innocent interference with the currency has sometimes developed an alarming canker. The foreign loans of Canadian banks have naturally been the main target of criticism, but this subject has been pretty well covered in these columns. The ignorance displayed in many of the western daily papers of the banking business is, to quote the Montreal Gazette, "amazing, worse still, it is mischievous."

The great expansion of Canada has given rise to a situation which is even more acute than in other countries, but the movement has been as inevitable as the tide of the sea.

One feature of the present time is the suggested promotion of new banks, and, curiously enough, there has arisen a proposal in Newfoundland for a "National Bank of Newfoundland," at the same time that a similar title is being wrongfully appropriated by a reckless promoter in the Northwest. The coincidences furnished by history are interesting and it is an appropriate time to look back thirteen years ago to 1894, when the Commercial Bank of Manitoba failed, and the two banks of Newfoundland, the Commercial and the Union, went to smash. That was a year of great stress in the United States. The Northern Pacific was in the hands of a receiver. There were many bank failures in the republic. The same criticism of the banks had been in progress. In that year the American financial writers were frequently pointing to Canada's superior banking system. Newfoundland was redeemed from object ruin by the Bank of Montreal, which lent $400,000 to the Government and opened in St. John's, followed by the Bank of Nova Scotia, and it was this action which saved the situation.

The failure of the two banks in Newfoundland and the Manitoba institution was the result of overdrafts by the local directors or management. It is a situation which is very apt to arise in banks of a purely local character. This demand for sectional banks is a retrograde movement. It is well to reprint a paragraph from an editorial which appeared in the New York Sun of January 21st, 1895, when attention was drawn to the merits of the Canadian banking system in these words: "It is to this consolidation of bank capital in large masses and to the concentration of management in a few hands, that Canada owes its boasted immunity thus far from our great financial disasters. The banks in outlying places are not independent of the centres and of one another, but are duly subordinated to capable heads."

The only variation of that system occurred in Manitoba and Newfoundland, with the results already stated. Mr. B. E. Walker said in an interview referring to the Newfoundland failures: "If there had been a branch of a strong Canadian bank in the island, instead of the frail concerns which have gone under, the collapse would not have happened."

MOLSONS NEW HOME..

A Very Attractive Toronto Office, With a Characteristic Design.

The new building of the Molsons Bank, in the City of Toronto, is one of the handsomest branch offices in Canada. Compelled to leave the fine old home on the corner of Bay and King streets, the historic residence of the late William Cawthra, the bank has moved slightly up the street next the Mail Building. The structure has been cleverly designed by the architects, Messrs. Finlay & Spence, of Montreal, to face towards King street. The building is in conformity with the Molson design, solid, substantial and handsome, but not unduly extravagant. The marble columns that mark the entrance are surmounted by two figures in stone, representing Justice and Plenty. The vestibule is of solid marble and extremely rich. The banking chamber is a spacious room 50 by 98, and is admirably lighted. Massive pillars of marble define the line for the bronze green grill work that surmounts the desks. The interior is decorated in an unusually artistic manner by the Thornton-Smith Company, which has acted in a similar capacity for a number of other banks. The walls are in a peculiarly attractive light green and cream, the woodwork is mahogany and the iron work a bronze green that tones in admirably with the prevailing tints and the green marble. The manager's office, the ladies' room and the customers' room are all suitable and well arranged. On the second floor there is a board room, of which the walls are entirely covered in weathered oak, leading up to a brilliant dome which furnishes the light. There is a bedroom for the manager, and sleeping rooms for a number of clerks, a separate wing being devoted to the caretaker's quarters.

The building is appropriate to the extent of the business which the Molsons Bank has gained in Toronto during recent years. Its completion marks also that of the 32nd year in the bank's service of the able and popular manager, Mr. C. W. Clinch, who joined the bank shortly after its incorporation.

THE SECURITY REVIEW.

(Continued from Page 1).

Canadian General Electric.

The visit of Mr. Frederic Nicholls to England has been for the purpose of discussing with the English interests the issue of the preference shares. It is not expected that these will be placed

Twin City.

Mr. Thomas Lowry is credited with an interview comparing the present prices of Soo and Twin City in favor of the latter. It can hardly be expected that the interview is authentic, especially when he says that Twin City will be on a six per cent. basis before Soo pays five per cent. The company is earning between 9 and 10 per cent. on the common stock. It is thought the earnings for the fiscal year ending Dec. 31 will show an increase of $275,000 in net. The August statement figures out that the company earned over 12 per cent. on the common, but this is one of the best months in the year. Twin City was strong during the week, and should be one of the first stocks to have an upward move.

Lake of the Woods.

There was considerable talk of a bonus on these shares but the directors declared the regular semi-annual of three per cent. Mr. Robert Meighen, the president, says that while the earnings might warrant a bonus, the directors preferred to write a large amount off the plant.

The general manager, Mr. Pennington, says:

"Our annual report will show an increase of $1,118,000 in gross earnings, and a decrease in net earnings of $315,000. I think the showing will compare favorably with those of other roads similarly situated.

"The Soo line was hard hit last winter. In three months the storms made over $1,000,000 difference in our gross. One month we did not pay expenses, whereas for the corresponding month of the previous year we showed a surplus of $250,000. From November 26 to March 8 there was one storm after another without interruption.

"Current business is a little ahead of that of a year ago, though the grain receipts have been light on account of the late season. Arrivals on all roads on Tuesday this week were 108 cars, against 280 cars a year ago.

"Our crops are very good. Threshing returns received at this office range from 12 to 28 bushels to the acre. The quality of wheat is fair. Other small grains are about the same as a year ago. Soo Line's gross earnings from grain are not over 10 per cent. Forest products contribute more to our earnings than grain.

"I stopped $3,000,000 worth of improvement and extension work this year on account of unavoidable conditions. In time it will all be carried out.

"Soo Line has 40 per cent. more engines and 11 per cent. more freight cars than a year ago. This should carry us through.

"I do not know where the end of the wage advancing may be. Recently we raised the machinists from 36½ cents to 42 cents. Three years ago the boilermakers got 26 cents. We are offering them 41½ cents as our maximum, and we do not know whether they will strike or not. The advances to machinists, boilermakers and blacksmiths amount to $110,000 a year to the Soo Line."

Mexicans.

The effect of the progress shows in August gross earnings, which are the highest to date, viz., $409,900, an increase of $182,542 over the corresponding month last year. The net figures are $247,707 Mexican. The percentage of operation has been reduced to 39.56. The August earnings were at the rate of 3.43 per cent. on the common stock. It is understood that the new issue of $2,400,000 preferred stock has been underwritten by a syndicate.

Rios.

The company has succeeded in placing with English bankers an issue of $3,000,000 short term notes at 2½ years, bearing 6 per cent. The price is said to be 98. The loan was necessary to complete the hydraulic plant, as unforeseen expenditures, notably the purchase of the Gas Company, had utilized the money derived from the sale of the bonds.

C. P. R.

While C.P.R. showed an increase in gross earnings of $803,000 for August, and was second only to Northern Pacific in this respect, the earnings for September will make no such exhibit. The increase for the second week was $92,000, and for the first week $84,000.

Including the regular earnings, proceeds from land sales and an equity in the "Soo" line of $1,000,000, the Canadian Pacific last year earned 20.89 per cent. on $121,680,000 of capital stock, against 21,93 per cent. on only $101,400,000 in 1906. The earnings are:

	1907.	1906.
Surplus shown	$18,376,034	$16,021,216
Land sales	7,788,125	6,892,145
Equity in Soo line	1,000,000	1,000,000
Total earnings	$27,164,159	$23,904,361
Pref. dividends	1,736,228	1,660,133
Surpl. for com.	$25,427,931	$22,244,228
P.C. earned on $121,680,000	20.89	*21.93

*On $101,400,000.

Although the company increased its capital during the year over 7 per cent., the percentage of net earnings to total capital gained 1.5 per cent., demonstrating the system's ability to keep up with the various capital issues.

The financial statement has met with general approval. The Wall Street Journal reviews the road's situation as follows:

1. The road itself earned a surplus after all charges, steamship replacement and preferred dividends equal to 13.6 per cent. on its common stock. Including interest on deferred payments and proceeds on account of land sales, together with the company's equity in the undistributed earnings of its subsidiary, the "Soo" line, the road earned 16.3 per cent. on its common stock.

2. A heavy increase in operating expenses, the ratio to gross having been 64.9 per cent., as compared with 62.7 in the preceding year. The costs of conducting transportation increased 26½ per cent., although gross receipts increased 17 per cent.

Its passenger earnings increased 21.7 per cent. last year, while freight earnings increased 16.1 per cent.

The 13.6 per cent. on the common does not represent the full earning power. Thus $2,245,990 was received on account of interest on deferred payments and proceeds of land sales and not credited to income account at all. This itself is nearly 2 per cent. on the stock. Furthermore, the Canadian Pacific owns 51 per cent of "Soo" stock. The "Soo" is earning about $2,000,000 a year over and above dividend disbursements, so that the subsidiary of the Canadian Pacific retains a million dollars a year, which is the equity of the parent C.P.R.

The land sales of the Canadian Pacific Railway proper in 1906 and 1907 compare as follows:

	Acres	Amount realized	Avge per acre
1906 ...	994,840	$5,887,373	$5.92
1907	1,115,743	6,513,452	5.84

The report shows that of the Canadian Pacific's land grant 8,905,823 acres remain unsold. Placing a value of $6 an acre on this they are worth more than $53,000,000, more than enough to extinguish the Canadian Pacific's entire bonded indebtedness with some $13,000,000 to spare.

In addition to this, the road has 3,419,673 acres of land in Vancouver and will receive from a subsidiary company 2,500,000 acres more. These lands are as yet of uncertain value. However, it is safe to say that under present conditions the lands of the Canadian Pacific are worth between $70,000,000 and $80,000,000, an amount equal to probably $60 a share on the company's common stock.

As a railroad stock C.P.R. is paying but 6 per cent. The distribution is conservative. It pays 1 per cent. extra from land account. The earnings justify the distribution of 7 per cent. from railroad earnings. The reason this has not been done is doubtless because the road has much extension work on and much competition to face.

THE FINANCIAL CALENDAR.

Week ending Sept. 28.

Annual Meetings.

Sept. 24—Consolidated Mining & Smelting Co.

BANK CLEARINGS.

The bank clearings for Montreal and Toronto show considerable gains over last year, but the uncertain feeling in Winnipeg and the lateness of the crop is reflected in the clearings going down for the first time to last year's level. The week's results in the country show a slackening up in general business, as compared with previous weeks.

Week ending Sept. 19.

	1907.	1906.
Montreal	$32,609,365	$28,796,378
Toronto	22,259,221	20,779,083
Winnipeg	10,949,176	10,607,716
Vancouver	4,597,403	3,246,205
Ottawa	3,250,301	2,801,496
Quebec	2,134,641	1,707,888
Halifax	1,783,695	1,585,297
Hamilton	1,688,525	1,711,659
St, John	1,257,557	1,286,124
London	1,202,804	1,102,157
Victoria	1,220,550	1,062,287
Calgary	1,176,618	979,801
Edmonton	822,910	737,094

Vancouver's clearings for week ending Sept. 12, were $4,227,403, as compared with $2,950,975 in 1906.

New York Stock Exchange.

Range of Prices for Week Ending Sept. 20th.

—	Closing Sept. 13	Open. Sept. 14	High.	Low.	Last.
Amalg. Copper Co	61⅜	61⅞	62¼	58⅜	62⅛
Am. Car & Foundry	38⅞	38¾	38¾	36½	38½
Am. Locomotive Co	53	53	53	49¾	53
Am. Smelt. & Ref	89¾	90⅝	94⅛	87½	93¾
Am. Sugar Ref. Co	111½	112¼	113½	111	113¼
Am. Tobacco Co., pf	80⅛	80	80	78½	78½
Am. Woolen Co	21	22	22¾	22	22½
Anaconda Cop. Min	38½	39	40½	36½	39¾
At., Top & S.F	86¾	86¾	88⅜	85¼	87⅛
Atlantic Coast Line	81½	82	84	82	82½
Baltimore & Ohio	89⅝	91⅛	91⅝	91	91½
Brook. Rapid Transit	45⅝	45½	47	43	46¼
Canadian Pacific	166¼	166½	166½	164	164½
Chesapeake & Ohio	33½	34	34⅜	33¼	34¼
Chi. Great Western	9¾	9¾	9¾	9⅜	9⅝
Chi., Mil. & St. Paul	120	120	122¼	118½	121
C., C., C. & St. Louis	62	....	....	....	....
Chi. & Northwestern	145¼	144½	147¾	144½	147¼
Colorado Fuel & Iron	23¾	23⅛	24½	21½	23
Colorado & Southern	24	24	24¾	23½	23½
Consolidated Gas	105¾	105	106	104½	106
Delaware & Hudson	153¾	156½	158⅞	154½	158⅞
Den. & Rio Grande	24½	23¾	24½	23½	24
Dul., S.S. & At	10	9	9	9	9
Erie	20½	20½	21	20⅜	20⅜
Erie, 2d pf	37⅛	36½	36½	36	36½
General Electric	125⅛	125	125	124½	124½
Great Northern, pf	126¾	127¼	132	125¾	130¾
Illinois Central	137	....	140	140	140
Interb.-Metropolitan	8⅜	8¾	15¼	8¼	10
Internat. Paper Co	14	14	14	13	14
Louisville & Nash	108¾	108	109¾	108	109⅜
Mackay Companies	65¼	....	64½	64½	64½
Mackay Companies, pf	63½	63	64¼	63	64¼
Mexican Central, pf	16½	17⅛	17½	17	17¼
Minn. & St. Louis	40½	40½	41	40	40½
M., St. P. & S.S.M	104	104¾	105	96	100½
M., St. P. & S.S.M., pf	130	....	....	....	....
Mo., Kan. & Texas	35⅝	35¾	36⅞	35	36¼
Missouri Pacific	70½	69⅞	71⅛	68¾	70¾
New York Central	105¼	106½	107	104½	106
N.Y., Ont. & Western	32¾	33½	34	33	34
Norfolk & Western	70	70	71½	70	71½
Northern Pacific	128¾	129¼	134¼	127½	132⅜
Pennsylvania R.R	120⅜	120¼	120⅞	119⅛	120⅞
People's Gas, Chi	86¼	86	86½	85½	86½
Pullman Company	158	156	158	158	158
Railway Steel Spring	36½	35½	35½	34⅛	35½
Reading	94⅜	94½	97¼	93	97¼
Rep. Iron & Steel	23¼	21	22¼	21	21¼
Rock Island Co	20⅛	20	20⅜	19	20⅛
Rock Island, pf	44	43¾	45½	43¾	44
St. Louis Southwestern	16⅞	18	18¼	18	18¼
Sloss-Shef. Steel & Iron	46	46½	47½	45	47½
Southern Pacific	85½	85½	86⅞	84¼	86½
South. Railway	16	15½	16	15⅜	15¾
Texas & Pacific	27½	27½	28¼	27	28¼
Union Pacific	128⅜	128⅝	133	127½	132⅛
U.S. Rubber	30	....	....	....	....
U.S. Steel	29⅝	29⅜	29⅜	27⅛	29
U.S. Steel, pf	93⅛	93	92⅜	88	92¼
Wabash	11½	11½	11¾	11¼	11¼
Western Union Tel	76⅛	77	78	77	78
Wisconsin Central, pf	39	....	39	38	39

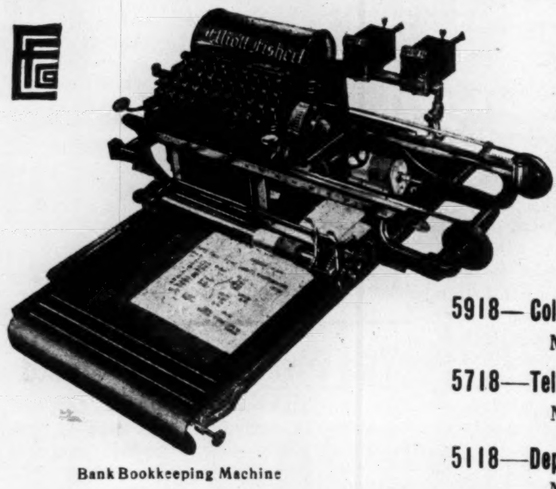
Railroad and Street Railway Earnings

Gross Earnings

—	Week ending	1907.	1906.	Changes.	From date mentioned to the last week for which earnings have been reported. Date.	1907.	1906.	Changes.
Canadian Northern	Sept. 14	187,900 00	148,100 00	+ 39,800 00	July 1	2,236,500 00	1,491,000 00	+ 745,500 00
Canadian Pacific	Sept. 14	1,463,000 00	1,371,000 00	+ 92,000 00	July 1	16,704,000 00	14,707,000 00	+ 1,997,000 00
Duluth, S.S. & Atlantic	Sept. 7	73,439 00	64,726 00	+ 8,713 00	July 1	751,945 00	649,031 00	+ 102,914 00
Grand Trunk System	Sept. 14							
Minn., St. P. & S.S.M. (Soo)	Sept. 7	263,947 00	278,017 00	– 14,070 00	July 1	2,353,198 00	2,337,799 00	+ 15,399 00
Detroit United	Sept. 7							
Halifax Electric Tram	Sept. 7							
London Street Railway Co								
Montreal St. Ry.	Sept. 14	74,918 59	67,157 47	+ 7,761 12	Oct. 1	3,174,224 99	2,819,860 91	+ 354,364 08
Northern Ohio Traction								
Toledo Railways System	Sept. 14	30,361 09	29,171 34	+ 1,189 76				
Toronto Railway Co	Sept. 14	72,546 74	64,148 78	+ 8,397 96	Jan. 1	2,275,477 65	2,024,878 01	+ 250,598 64
Twin City	Sept. 7	170,300 00	167,073 00	+ 3,227 00	Jan. 1	4,123,750 00	3,826,235 00	+ 297,515 00
West India Electric	Month				Aug. 1	15,330 63	12,462 99	+ 2,867 64

Net Earnings

—	JULY 1907	JULY 1906	Changes	Eight months. 1907	Eight months. 1906	Changes
Duluth, S.S. and Atlantic.						
Operating Revenue	329,912 20	283,724 07	+ 46,188 13			
Operating Expenses	223,064 87	172,884 15	+ 50,180 72			
Net Revenue	106,847 33	110,839 92	– 3,992 59			
Other Income	8,511 37	6,123 58	+ 2,387 79			
	115,358 70	116,963 50	– 1,604 80			
Interest, Taxes and Other Expenses	97,331 66	93,432 22	+ 3,899 44			
Surplus	18,027 04	23,531 28	– 5,504 24			
Mexican Light and Power Co.	August.					
Gross Earnings	409,900 86	327,448 45	+ 82,452 41	3,104,055 98	2,387,118 67	+ 716,937 31
Total Expenses	162,193 46	149,682 52	+ 12,510 94	1,236,505 49	1,118,361 70	+ 118,143 79
Net Earnings	246,707 40	177,765 93	+ 68,941 47	1,867,550 49	1,268,756 97	+ 598,793 52
Total Fixed Charges	150,000 00	94,784 00	+ 55,216 00	1,200,000 00	758,272 00	+ 441,728 00
Surplus	96,707 40	82,981 93	+ 13,725 47	667,550 00	510,484 97	+ 157,065 52
Illinois Traction Co.						
Railroad	282,170 37	216,470 19	+ 65,700 18	1,810,866 01	1,378,964 31	+ 431,901 70
Gas	19,752 43	17,300 66	+ 2,451 77	160,118 35	150,431 52	+ 9,686 93
Electric Light	38,095 77	36,336 05	+ 1,759 72	332,226 38	305,587 60	+ 26,638 78
Steam Heating	959 63	762 54	+ 197 09	67,868 70	61,580 96	+ 6,387 74
Miscellaneous	620 58		+ 620 58	6,437 42		+ 6,437 42
Total Gross Earnings	341,598 78	270,869 44	+ 70,729 34	2,377,516 86	1,896,464 29	+ 481,052 57
Expenses and Taxes	187,935 31	140,055 19	+ 47,880 12	1,346,135 39	1,053,206 09	+ 292,929 30
Net	153,663 47	130,814 25	+ 22,849 22	1,031,381 47	143,258 20	+ 188,123 27



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Head Office: 8 King Street West, Toronto

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JAMES MASON, General Manager

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New York Impressed

PROFOUNDLY BY THE C. P. R. ANNUAL STATEMENT.

Opposition by Helping Development Has Assisted the Road—Wherein Steel Differs From Copper—A Great Trust Not a Bad Thing—Politics troubling the Market—Bank Funds Shifting Westward—Americans Have Not Lost Sight of Cobalt.

New York, Sept. 19.—I asked a leading operator on the big exchange this week what, particularly and generally, was the matter with the markets, and he replied, laconically, "politics." This opinion is daily growing more general. The flood tide of a wave of prosperity has met the beginning of a Presidential campaign, and complications are developed that magnify the meaning of healthy and necessary recessions in the business situation, and fill the future with uncertainties.

Copper and Steel.

Nothing would, of course unsettle the market so much as to discover just at present that the situation in steel products is anomalous to that recently disclosed in connection with copper. It is being industriously predicted just now that the situation for steel products is far from satisfactory. The steady crumbling away in the value of steel corporation stocks is attributed to that feeling. For that reason, anxiety was displayed over the showing to be made in the quarterly statement of the big trust. It has been said for months that orders for steel could not be promptly filled, owing to the rush of business, and the insistent demands for the products. But some such similar stories were told about copper by those apparently who wished to keep the price over 20c. The situation of the Steel Trust should be a particularly satisfactory one. A billion dollar concern can control the output and prevent the accumulation of surplus stocks, and the consequent sacrifice of property much better than if the operation of so many mills were widely distributed among many owners. This is the reason holders of Steel Trust securities are so confident of the maintenance of intrinsic values of that group of securities.

C. P. R.

The annual statement of the result of the year for the Canadian Pacific Railroad has profoundly impressed investors in this market. It is remarked that the competition the pioneer railway in the Canadian Northwest has experienced from the Canadian Northern has in no way lessened faith in it, and that the entry into the field of another competitor will also strengthen rather than weaken the position of the Canadian Pacific The increase in the prices at which the railroad has sold its lands during the past year, is pointed out here as an indication of the advantages the C.P.R. is already receiving by the construction and operation of new roads in what for years was considered as its preserve.

The multiplication of railroads in the Western States did more than anything else to help the pioneers among the railways that first exploited the nearer and far West States of the Union. Like the C.P.R., the American transcontinental railroads at first labored under the difficulties that have so long beset the Canadian railroad of having to haul cars over long stretches of country that yielded no business. The gradual settlement overcame that difficulty just as it is being overcome in the Canadian Northwest. American investors seem to have a good opinion of Canadian Pacific. They realize that it has kept abreast of the times and kept pace with the requirements, or rather anticipated the requirements of the country it has served so well. The coming competition for the C.P.R. is considered as rather cheering than depressing, when considered from a shareholder's point of view.

Sterling Exchange.

The sterling exchange market has gradually been developing some features of interest to the banking circles. The early offering of commercial bills against shipments of produce is regarded as a distinctly favorable sign, considering the volume of the offerings. It will be but a short time before the tide of gold sets strongly toward this country. The higher prices that are being paid abroad for cereals will be a material factor in exchange. Already it is predicted that money will be a drug in this market by the turn of the year.

Canadian Bank Loans.

The demand for loans for stock exchange purposes here is not large, and Canadian banks with New York agencies have this week been transferring to the West some large sums of money to meet the season's demands there. Money out there always commands good prices, and, as the security is unquestionable, such a market is very desirable for Canadian funds at this season, while as previously pointed out, the desirability in having abroad money invested in liquid securities is always of great benefit to the banks of a country that at any time might, through contingencies in the home market, find it necessary to quickly increase its available reserves. The development of such a contingency is happily very remote or improbable.

Americans and Cobalt.

If it had not been for the antics of Nipissing in the American markets, it is asserted by a financial man here, Americans would have largely invested their money in Cobalt. That unfortunate incident for which Canadians themselves were in no way responsible, created a spirit of caution or conservatism, that lasted up to the beginning of the stringency in the money market that tied up so many operations in the home markets, and prevented the carrying out of others that had been planned. "But you may mark my words," said my informant, "Americans are well aware of the promising field for investment in Northern Ontario and it is only a question of time before you will see millions of our capital flow into that country for development of its great resources."

Corn and Cotton.

Much interest is displayed in the corn and cotton crops. The weather has not been altogether favorable in many sections for these important crops and any further set-back would be at once seized by the bears, who have of late devoted so much time to the spreading of rumors affecting the credit of many of the leading firms in the street.

A. J. CANUCK.

BOND DEPARTMENT

If you wish to keep in touch with the municipal bond market watch this department. It seeks to be very accurately compiled and convenient, and is a valuable indication of current prices. The Financial Post makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of of any contemplated bond issues.

Aylmer, Ont.—The ratepayers will vote on Oct. 7 to issue $12,000 6 per cent. 20-year bonds for waterworks extensions. Junius Bradley, clerk.

Calgary, Alta.—Mr. W. L. Waines, secretary-treasurer, asks for tenders for $70,000 of a total issue of $130,000 of debenture bonds of Calgary public school district No. 19, repayable in 30 annual installments at 5 per cent.

Didsbury, Man.—N. E. Eby, secretary-treasurer, will receive bids till Oct. 1 for the purchase of $5,500 fire apparatus and $1,000 street improvement 6 per cent. 20-year installment debentures. On Sept. 28 the ratepayers vote on a by-law to raise $3,000 for the erection of a town hall.

Estevan, Sask.—In the Sept. 7th issue The Financial Post stated that the town of Estevan had passed a by-law to raise $92,000 for waterworks purposes. This information is premature. Mr. L. A. Duncan, the secretary-treasurer, says that the ratepayers have not yet voted on the by-law.

Goderich, Ont.—The by-law for guaranteeing the Ontario and West Shore Electric Railway Company for $125,000 has been carried by the ratepayers of the township of Ashfield.

Hamiota, Man.—Jas. Andrew wants bids till Sept. 30th for $4,000 6 per cent. 10-year installment debentures.

Leduc, Alta.—C. E. A. Simonds, secretary-treasurer, is asking bids till Oct. 1 for $10,000 fire protection and $5,000 park 5 per cent. 20-year installment debentures.

Marmora, Ont.—The by-law to grant a bonus to J. Hayner & Co.'s stave factory has been passed. Rendal Snell, clerk.

Medicine Hat, Alta.—E. Roberts, city clerk, is asking bids till Sept. 23, 1907, for the purchase of 5 per cent. 20-year debentures in the following blocks: $25,000 waterworks extension, $20,000 natural gas system, $5,000 fire equipment extension, $15,000 for hospitals.

Moose Jaw, Sask.—The city council are contemplating a by-law to issue $90,000 electric light extension debentures. J. D. Simpson, clerk.

Niagara Falls, Ont.—W. J. Seymour, city clerk, writes that the Ontario Municipal Board have approved of their issue of $11,940 5 per cent. 20-year waterworks debentures, and that the issue is now ready for market.

Olds, Alta.—A by-law to raise $12,000 for fire protection and public works, after being previously defeated, has recently been carried. R. B. Campbell, clerk.

Prince Albert, Sask.—On Oct 1, the ratepayers vote on a by-law to issue $29,000 sewerage improvement debentures.

St. Johns, Que.—A by-law to provide $15,000 for new municipal buildings, was recently defeated.

Selkirk, Man.—The ratepayers have carried a by-law to raise $11,000 for school purposes.

South Battleford, Sask.—A by-law to bonus the Battleford Mill and Elevator Co. to the extent of $10,000, has been passed.

Sundridge, Ont.—The ratepayers of Strong Township have recently defeated a by-law to loan $5,000 for the establishment of a veneer factory.

Toronto.—The by-law submitted to the ratepayers last Saturday to provide $781,171 for the improvement and extension of the city's waterworks system, was carried.

Vancouver, B.C.—The city council have decided to submit to the ratepayers a by-law to raise $1,000,000 for bridge building. The money will not all be needed at once, and the authority for the issuance of debentures will enable the city to float the bonds whenever the market is favorable, instead of being pressed into a corner when funds are immediately demanded, and forced to sell on a fallen market.

A MESSAGE FROM THE DEEP.

Steam Yachting Incident.

The other day a steam yachting party in the neighborhood of Kingston saw two bottles floating in the water, the heads of which appeared to be covered with red sealing wax and tied together by a cord and thinking there might be some message placed in one of them, a boat was lowered and they were brought aboard. When the sealing wax was removed and the corks drawn, it was discovered that the labels of the bottles had been taken off and placed inside them. There was no ship wrecked mariner's message inscribed, but simply the labels themselves, which were those of a bottle of Fisherman Scotch and a bottle of radnor water.

The party unanimously decided that the idea intended to be conveyed by some appreciative yachtsman, was, that Fisherman Scotch and radnor water should always go together, as they make a perfect blend, and in this the members of the party heartily agreed, as they had been using the same beverage.

Mr. E. H. Harriman is quoted as saying in regard to security prices: "They are very much lower than they ought to be now, generally speaking. Look at the bond market. It is absurd for New York City to have to pay 4¼ per cent. for interest in order to get its money."

Mr. Arthur S. Houston, manager at North Battleford, in the Bank of Commerce, is now manager of the Alexander avenue branch at Winnipeg. He is succeeded at North Battleford by Mr. E. A. Fox, of Ponoka, whose place there is filled by Mr. A. F. Turner as acting manager.

STEEL COMPANY SUCCESSFUL

THE TRIAL JUDGE DECIDES EVERY POINT IN THEIR FAVOR

Coal Company's Contentions Nearly All Refuted—Their Evidence Sustained on One Point Only—Coal Was Fit for Steam-Raising—But Not for Steel Making—Damages to Be Ascertained by a Referee—These to Include Extra cost of Coal and Loss Through Closing Plant—Coal Company to Perform Contract to Furnish Coal at $1.24 a ton.

Hon. Justice Longley gave judgment in the action of the Dominion Iron & Steel Company vs. the Dominion Coal Company, on Monday last, the 16th inst. The decision is directly in favor of the Steel Company, and grants, in effect, their claim. The judgment is an extremely well arranged and perspicuous document. The paragraphs are numbered. The opening ones deal with the incorporation of the two companies, and point out that it was the directors of the Coal Company who reached the conclusion that the establishment of a large iron and steel works in the vicinity of their mines would be advantageous as affording a steady market for their output, especially during the winter months, and that before the steel enterprise was entered upon, the coal of the Dominion Coal Company was carefully analyzed and found suitable for the manufacture of steel. It then notes the amalgamation of the two companies, and its termination, and the new agreement entered into on Oct. 20, 1903, whereby the Coal Company undertook to furnish the Steel Company with all the coal sufficient for their purposes, provided the latter were not to demand more coal than was necessary for the operation of four blast furnaces, the price to be $1.24 per ton, with 4 cents per ton for the use of cars, the lease to be in force as long as the Coal Company's lease from the Government.

Failure in Quantity.

The judge reviews the various phases of the contract, and the failure of the Coal Company to deliver coal in sufficient quantity, beginning in August, 1906. He finds that the official of the Steel Company complied with the conditions in regard to notice, and that the Coal Company was in default in its deliveries during the months of August, September and October, 1906, and are liable for damages for such loss as the Steel Company incurred in obtaining coal from other mines at a larger cost.

Coal Co. Terminates Contract.

“But this,” says Mr. Justice Longley, “is a very inconsiderate feature of the issue between the two companies.” He then takes up the question of the quality of the coal which the Steel Company's manager complained of, and refused to accept beginning with the letter on Oct. 18. He quotes Mr. Duggan's letter of Nov. 9, and finds it a notice of termination of the contract by the Coal Company.

Quality Unfit.

He next discusses the quality of the coal delivered between Nov. 1 and 9, and says that some 4,000 tons delivered in those eight days was entirely unfit for metallurgical purposes, and the balance, a little over 6,000 tons, accepted by the Steel Company, was quite insufficient for the purposes of making coke, and the Steel Company was, therefore, compelled to close their blast furnaces in the early days of that month.

Fit for Steam-Raising.

The judge next takes up the point whether coal from No. 6 seam was fit for commercial purposes, and here he holds with the Coal Company, that it was fit for steam raising, but was wholly unfit for metallurgical purposes, and impossible for use in making iron and steel under conditions now existing in the world.

Steel Co.'s Strong Point.

Next, he takes up the point on which the Steel Company placed its main reliance, viz., was the coal tendered between Nov. 1 and 9 “reasonably free from stone and shale” as required by the contract? The paragraph of the judgment is as follows:

“The evidence for the defendants is that all the coal from No. 6 tendered was mined according to the best requirements of mining, and passed over the picking belt, which was of as high a standing at No. 6 as in the case of any coal mines in the Province, and witnesses familiar with the coal trade defined ‘run-of-mine coal reasonably free from stone and shale,’ as coal taken from mine and after passing over the picking belt, put on cars for transportation, and this is what was done with the coal delivered from No. 6. But witnesses for the Steel Company testified that this coal from No. 6 was characterized by laminations or bands of metallic substance, sulphurous in its nature, which ran through it and permeated it in all directions. Those who examined the specimen lot, and those who inspected the rejected car loads, declared that on breaking lumps of this coal, these dayers of pyritical material could be seen running through it. It was proved also, by several careful tests, that a carload of this coal weighed eight or ten per cent. more than a carload of coal from the other mines of the phelan seam. Experts also testified that the access of ash and sulphur indicated the presence of foreign matter, which would come under the designation of stone and shale. Mr. Poole, an experienced coal authority, and a scientific man, said that the term ‘‘stone’’ was generic and covers all mineral material other than the mineral to be gotten from the mine.

Coal Evidence Lacking.

“It was also testified by those who examined the coal and its laminations that no process of picking on the picking belt could possibly eliminate all this matter, because it would be more or less concealed in the interior of the lumps of coal. Unfortunately, the Coal Company did not produce much evidence to aid me in respect of the actual character of this rejected coal. They proved it had passed the picking belt with eight men on the belt to pick out stone and shale, but they did not produce any witnesses who had examined the lot of coal which the Steel Company had kept in its grounds for inspection. They did produce two witnesses who had passed over the 153 cars of coal taken back by the Coal Company, after rejection. One, Mr. Wanklyn, the vice-president of the Coal Company, did not even go on the cars, but looked at the coal on them, and said it looked all right. The other, Mr. Drummond, walked over the cars and looked at it carefully, and said it seemed to him to be in good condition, and he did not observe any stone or shale in it in excess of what is found in other coal used in Nova Scotia. His only examination, however, was the eye. On cross-examination, he said he observed sulphur in the coal, possibly to the extent of two or three per cent., and an expert declared that coal which showed three per cent. of sulphur on inspection by the eye, would indicate a larger percentage present. Mr. Drummond also said that he did not, in his inspection, break up any of the lumps for fuller examination. A number of persons who saw the piles of rejected coal in the Steel Company's grounds, declared that it was not reasonably free from stone and shale. In fairness, it must be stated that some of those who examined it, saw it only after it had been exposed for some months, which would, of course, deteriorate its character, but would not, it seems to me materially affect the quantities of impurities in it. After carefully weighing all the evidence, while I find this coal was carefully mined and picked on the belt, I cannot find under the evidence that it was reasonably free from stone and shale. I think the weight of evidence is that it was not.

Steel Co. Did Not Repudiate.

In regard to the Steel Company's rejection of the unsuitable coal between Nov. 1 and 9, the judge says it is a legal question, and must ultimately be determined upon legal principles. “It is, however, proper that I should say that the action of the Steel Company was clearly with no intention of terminating the contract. The contract was of the greatest possible value to the Steel Company, and they have every motive to desire to continue the contract in operation. If the refusal to take unsuitable coal between the 1st and 9th November was clearly a breach of the contract, they must submit to the legal consequences, but certainly the refusal was not made with any desire or intention on the part of the Steel Company to terminate the contract.”

Trust Co. Properly Joined.

In paragraph 13, the judge decides adversely to the contention of the Coal Company's solicitors in regard to the National Trust Company being joined as plaintiffs, and finds that they had a right to be joined, as in case of default they would be called upon to operate the plant in the interests of the bondholders, and the Trust Company had a right to see that the contract was not broken by or impaired by any collusion on the part of the Steel Company with the Coal Company.

Legislative Confirmation.

Paragraph 14 deals with the ratification and confirmation of the contract by the Legislature of Nova Scotia. This, he says, makes it impossible for either party to deny the existence or validity of the contract itself, but does not affect the conditions under which a breach of the contract could be made by either party. He mentions, however the Steel Company's contention that the law-making power of Nova Scotia had indicated its sense of the importance of the contract from a public viewpoint, which might have, perhaps, some bearing upon the conditions and circumstances under which it could be terminated by either party.

In paragraph 15, the judge states his reasons for refusing evidence of negotiations between the two companies, which led to the contract of October, 1903, citing Inglis V. Buttery.

The Law Applied.

Having dealt with essential facts, the judge proceeds to apply the law as follows:

“The Coal Company contends that the contract defines in definite and explicit terms the quality of coal it is required to deliver, and, therefore, nothing in the way of implication can be read into it. Cases are cited in support of the doctrine authoritatively established by the English courts, that when the parties to a contract have fixed and declared in express terms the matters and things to be performed, then it is not proper to go outside the ordinary grammatical sense of the words used. Hence they say that the contract now under consideration in clause 3 has explicitly defined the class of coal which they are required to furnish, namely, ‘freshly mined, run of mine coal, reasonably free from stone and shale, and from such seams as may be designated by the Steel Company.’ As the seam so designated by the Steel Company was the Phelan seam the Coal Company literally and exactly complied with the conditions between Nov. 1 and 9, by supplying freshly-mined, run of mine coal from the Phelan seam reasonably free from stone and shale.

“They argue that the price under the contract is low, and it cannot be inferred that the Coal Company was to assume the risk of suitability. Put concisely, the Coal Company contends that, provided they have complied with the literal terms of clause 3 of the contract, they are not concerned whether the coal delivered is fit for metallurgical purposes or not.

Bald Words Don't Govern.

“Apart from the fact that I have not been able to find the coal delivered between November 1st and 9th, and rejected by the Steel Company, was reasonably free from stone and shale, I cannot accept as a sound legal proposition the contention of the Coal Company that the bald words of the contract govern. As I read the English decisions on contracts, I think a broader view has been adopted in interpretation. In giving effect to a contract written or oral, the court looks at the situation of the contracting parties, in order to give a rational interpretation of the real object aimed at. In the words of Bowen, L.J., The Moorcock, L.N. 14 P.D. 68, the object of the Courts is ‘to give efficiency to the transaction and to prevent such a failure of consideration as cannot have been in the contemplation of the parties.’

“Here we have a Steel Company, operating a large plant entering into a contract with an adjacent Coal Company, not for the mere purchase of coal as coal, but for the purchase of coal for operating an iron and steel making plant. The first clause in the contract: ‘The said Coal Company, from its mines in Cape Breton Co., other than those lying north and west of Sydney Harbor, will supply . . . all the coal that the Steel Company may require for use in its works as hereinafter described—namely, the blast furnaces, the coking ovens, the steel furnaces, the rolling mills, incidentally gas producers, kilns, ovens, foundries, etc., mines and quarries, steam vessels of Steel Company operated for its own requirements, . . . switching engines at its mines and quarries, etc.’

Basis of Contract.

“This I regard as a basis of the contract, namely, the production of coal to operate steel plant and its accessories.

“The second clause which provides for delivery, has, perhaps, no very great bearing on the issue, except that in providing for delivery it declares that the coal intended ‘for use in the works of the Steel Company shall be delivered in cars on sidings where required by the Steel Company, connected with the main line of railway of the Coal Company’; and it provides likewise that ‘bunker coal and coal for mines and quarries elsewhere than Sydney shall be delivered to the Steel Company at any shipping pier,’ etc. It seems to me a reasonable inference that the parties understood that a part of the coal, and the largest part, was intended for use in the works of the Steel Company.

“The third clause defines the kind of coal to be furnished, a sort of specification which must always be read, it seems to me, in connection with the object of the contract as defined in clause one. It also seems to me to come exactly within the rule laid down by the Ld. Ch. J. in Ogden vs. Nelson, 1903, 2 K.B. 297. ‘Where parties have a contract which contains a verity of stipulations and is silent as to others, no stipulation or agreement which is not expressed shall be implied unless it is necessary to give the transaction the efficacy which both parties must have intended.’

“In this case, it is clear to me, that the exact and only thing the parties intended was that coal should be furnished to operate an iron and steel plant. I think also the express provisions of clause 3 come strictly and easily within the doctrine laid down by Lord Herschell, in Drummond vs. Van Iughen, 12 A.C., 284. He adopts the language of Willes J. in the former case: ‘The doctrine that an express provision excludes implication does not affect the case in which the express provision appears on the true construction of the contract to have been superadded for the benefit of the buyer.’

Heart of Contract.

“It appears to me clear that the heart of the contract, or, to use the words of an eminent English judge, ‘the spirit that breathes through the contract’ is coal for iron and steel making. The specification in clause 3, seems to have been added for the benefit of the buyer, and it seems to me to read in effect as follows: ‘You are to furnish me with coal to make steel and iron and run my plant. The supreme factor of this is the absence of sulphur and ash, and, therefore, to guarantee me against inferior deliveries for this purpose, you must give me freshly mined coal, not banked coal, run of mine coal, not slack coal, reasonably free from stone and shale, and from such seams as I may think are best adapted for such iron making.’

“But to say that because these specifications are added for the benefit of the buyer they dispense with the need of furnishing coal suitable for operating the iron and steel plant, seems to me to be the exact antithesis of what Bowen, L. J., has declared the objects of courts, namely: ‘To give efficacy to the transaction and prevent such a failure of consideration as cannot have been in the contemplation of the parties.’ The parties here contemplated and have expressly said so, that the contract was a coaling contract for a steel plant. Would it be rational to hold that the specifications of clause 3 are to be interpreted as destroying the primary object of the contract and permitting the Coal Company to furnish by a literal adherence to the specifications, coal which will not make iron or steel?

The Exclusion Clause.

“The fourth clause provides that so long as the Coal Company should be willing and ready to supply coal for the Steel Company, all coal required by the latter should be purchased from the Coal Company to the amounts agreed to be supplied. This plainly means that the Steel Company is to purchase exclusively from the Coal Company so long as the latter is ready to supply it.

“Clause 9 provides that the Steel Company shall not sell or transfer to any person or corporation any of the coal delivered to it under this agreement, except with the consent in writing of the Coal Company unless the Coal Company refuses to repurchase the coal at the price of $1.00 per ton on said sidings. I interpret this to mean that unless with the consent of the Coal Company, the Steel Company cannot sell a ton of coal purchased from the Coal Company.

Its Important Effect.

“Here we find a company manufacturing iron and steel on a large scale, seeking coal to operate their plant. We find a Coal Company knowing this object, which appears plainly on every page of the contract, undertaking to furnish them with coal. Can it be possibly held that this contract, in any aspect, is fulfilled by furnishing coal wholly unfit for making iron or steel? Under the terms of the contract the Steel Company is not permitted to purchase coal from any other Company, and is not permitted to sell a pound of coal so obtained to any person, except to the Coal Company at $1.00 a ton. Can a court say that this contract means that the Coal Company can deliver to the Steel Company coal from No. 6 mine to the full extent of the demands of the contract from which they could not smelt a pound of iron or make a pound of steel, could not sell a ton of such coal, nor purchase from another company a ton of coal at a higher rate? Would such an interpretation ‘give efficacy to the transaction,’ or would it ‘result in such a failure of consideration as cannot have been in the contemplation of the parties’?

“The contract itself contains many provisions which seem to me to conclusively negative any such literal interpretation as would nulufy its obvious intention Provision is made in the contract that after four years the Coal Company should be at liberty to furnish slack coal instead of run-of-mine, but this is accompanied with a proviso that it should be ‘suitable’ for steel making and to make the matter absolutely clear, ‘suitable’ is defined in the following terms: ‘The slack coal so supplied, when properly washed by the Steel Company, shall not contain a per centum of impurities, to wit: ash and sulphur appreciably greater than the per centum of impurities in the same coal of run-of-mine grade when crushed and washed in the same manner’.

Contention Further Confirmed

“What meaning must I give to the requirement that this slack shall not contain a percentage of ash and sulphur appreciably greater than in the same coal of run-of-mine grade when crushed and washed in the same manner for use in steel and coke making, and for blast furnace coke? Do not these words, underscored plainly, intimate that ‘making steel and coke for blast furnaces’ was the primary and supreme object of the contract? Can it be rationally held that while the Coal Company, if they furnish slack, must have it so free from ash and sulphur that it can be used for iron and steel making, and equal in this regard to run of mine coal, but that run of mine coal, to which it must be equal, need not be fit for metallurgical purposes?

“Again, under the terms of the contract, the Steel Company is to erect and operate a coal washing plant, the object being to eliminate a portion of the impurities in the coal as it comes from the mine. Can I reasonably hold that the Steel Company is called to bear the expense of washing coal, which no washing plant would be effective to remove the impurities and make it coal fit for metallurgical purposes?

“If the mere furnishing of run of mine coal from the Phelan seam, which has passed the picking belt is a fulfilment of the contract, then all the coal can be furnished from No. 6, and no operation of the works is possible.

A Coal Argument.

“On behalf of the Coal Company, it was contended that the coal from the Phelan seam might either deteriorate below the conditions of metallurgical coal, or that part of it which is metallurgical might become exhausted in which case an onerous burden would be imposed upon the Coal Company. What relief the courts would be able to give in either of these contingencies happening, I am not called upon at this time to say. But no such contingencies have happened, or are in sight.

Coal Must Bear Loss.

“During November, 1906, the Coal Company produced from the mines on the Phelan seam other than No. 6, 228,000 tons, and although some part of the output of No. 4 might have been unsuitable for making iron, this would not, I judge, have been greater than was necessary for steam purposes. The demands of the Steel Company was for 80,000 tons, leaving a surplus for commercial sales of 148,000. It was urged by the Coal Company that to have supplied from those mines the full requirements of the Steel Company would have unduly diminished their sales to other parties at more remunerative prices. I have no doubt this is the fact. But I do not consider I am at liberty to consider this in giving effect to the contract. The parties made their bargain. The Coal Company agreed to furnish coal up to the requirements of the blast furnaces suitable, as I conceive, for the requirements of iron and steel making. They had the coal available for this purpose. They refused to furnish it and delivered instead coal absolutely unsuitble for iron and steel making. Am I to say it is an answer to this breach that they could make more money by selling to some other persons?”

His Conclusions.

The judge then refers to a number of English cases, and concludes as follows:

“I think, as a matter of law, that the contract of October 20th, on its face, is a contract to supply coal to the Steel Company for the purpose of operating an iron and steel plant. I do not have to read into it any implications, I have only to make the necessary and inevitable deduction that coal to operate an iron and steel plant must be coal with which such a plant can be operated, for the object and purpose of the coal contracted for is expressly stated in the contract. Between November 1st and 9th, the Coal Company furnished in large quantities coal not reasonably free from stone and shale and incapable of operating an iron and steel plant, and while they were mining plenty of coal fit for such purpose, they failed to furnish sufficient quantity of such coal to meet the requirements of the contract. The Coal Company thereby committeed a breach of the contract, and are responsible to the Steel Company for all the loss and damage which result from this breach. I think the Steel Company was justified in refusing to take, in large quantities, the unsuitable coal furnished by the Coal Company between November 1st and November 9th, and that such refusal did not constitute a breach of the contract, and I think the contract is in full force.

As to Remedies.

“1. As to the failure to supply sufficient coal during August, September and October I think a referee should be appointed who should ascertain how much coal it was necessary for the Steel Company to purchase in those three months to operate their works, and the cost of such coal delivered at their works, and the difference between such cost and the contract price, $1.24, should be paid by the Coal Company to the Steel Company.

“The referee should also inquire into the question of any damages which the Steel Company sustained by reason of non-delivery of sufficient coal in August, September and October, apart from the additional cost of coal.

“2. The referee should also inquire into the cost of coal obtained from the Steel Company, since November 1st, over and above the contract price, $1.24 and all sums paid in excess of $1.24 should be repaid by the Coal Company to the Steel Company.

“3. In November, in consequence of the failure of the Coal Company to deliver to the Steel Company sufficient coal suitable for the operation of its works, the works were suspended. The referee should ascertain the actual loss and damage which the Steel Company sustained by this temporary suspension of work.

“I think the contract of October 20th, 1903, is still in operation, and, in my judgment, the best, indeed, the only true remedy in this case, is the issuing of a decree requiring the Coal Company to perform the terms of the agreement. I am not unaware of the difficulties which such a course might possibly involve but I think the court has ample power to enforce such a decree by the appointment of a receiver, if any attempt was made to evade performance. To award damages for a period so long as the term during which this contract is to be in force, seems to me an undesirable remedy from every point of view.

“I, therefore, direct that after the damages sustained up to the date of the reference are determined by the referee, an order pass, requiring the Coal Company to pay such damages and thereafter to specifically carry out the terms of the contract according to the true tenor thereof.”

Dividend Notice
THE METROPOLITAN BANK

Notice is hereby given that a dividend of two per cent. for the quarter ending September 30th next (being at the rate of eight per cent. per annum), on the capital stock of this bank, has been declared, and that the same will be payable at the head office and branches of the bank on and after the first day of October next. The transfer books will be closed from the 16th to 30th of September, both days inclusive.

By order of the Board.
W. D. ROSS, General Manager.
Toronto, August 27th. 1907.

The Royal Bank of Canada

DIVIDEND NO. 80.

Notice is hereby given that a Dividend of two and one-half per cent. for the current quarter ending 30th September, being at the rate of ten per cent. per annum upon the paid-up Capital Stock of this Bank, has been declared, and that the same will be payable at the Bank and its Branches on and after Tuesday, the first day of October next.

The Transfer Books will be closed from the 16th to the 30th September, both days inclusive.

By order of the Board,
E. L. PEASE,
General Manager.
Montreal, P.Q., 16th August, 1907.

The Traders Bank of Canada

DIVIDEND NO. 46.

Notice is hereby given that a dividend of one and three quarters per cent. upon the paid-up capital stock of the bank has been declared for the current quarter, being at the rate of seven per cent. per annum, and that the same will be payable at the bank and its branches on and after the first day of October next.

The transfer books will be closed from the 16th to the 30th of September, both days inclusive.

By order of the Board,
H. S. STRATHY, General Manager.
36-38.

Bank of Nova Scotia

DIVIDEND NO. 151.

Notice is hereby given that a dividend at the rate of 12 per cent. per annum on the paid-up capital stock of the bank has been declared for the quarter ending 30th September, and that the same will be payable on and after Tuesday, the first day of October next, at any of the offices of the bank.

The stock transfer books will be closed from the 16th to the 30th proximo inclusive.

By order of the Board,
H. C. McLEOD, General Manager.
Halifax, N.S., August 19th, 1907.

THE BANK OF BRITISH NORTH AMERICA

Incorporated by Royal Charter.

The Court of Directors hereby give notice that an interim dividend, free of income tax, for the half year ended 30th June last, of thirty shillings per share, being at the rate of six per cent. per annum, will be paid on the 4th day of October next to the proprietors of shares registered in the Dominion of Canada.

The dividend will be payable at the rate of exchange current on the 4th day of October, 1907, to be fixed by the managers.

No transfers can be made between the 20th inst. and the 4th proximo, as the books must be closed during that period.

By order of the Court.
A. G. WALLIS, Secretary.
No. 5 Gracechurch street, London, E.C.,
3rd September, 1907.
36-38.

DIVIDEND NOTICE

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED.

Notice is hereby given that a quarterly Dividend of Two and one-half per cent. for the three months ending September 30th, 1907, has been declared on the Common Stock of the Company.

The above Dividend to be payable on the 1st day of October, 1907.

The Transfer Books of the Company will be closed from the 16th to the 30th day of September, both days inclusive.

By order of the Board,
H. G. NICHOLLS, Secretary.
Toronto, August 27th, 1907.

Canadian Pacific Railway Company

Dividends for the half year ended 30th June, 1907, have been declared as follows:

On the preference stock, two per cent.
On the common stock, three per cent.

A further sum equal to one half of one per cent. on the common stock will be paid thereon at the same time out of interest on the proceeds of land sales.

Warrants for the common stock dividend will be mailed on 30th September next to shareholders of record at the closing of the books in Montreal, New York and London respectively.

The preference stock dividend will be paid on Tuesday, October 1st next, to shareholders of record at the closing of the books at the company's London office, No. 62 Charing Cross, London, S.W. The common stock transfer books will close at Montreal, New York and London, at 1 p.m. Saturday, August, 31st. The preference stock books will also close at 1 p.m. Saturday, August 31st next.

All books will be re-opened on Thursday, 3rd October next.

By order of the Board,
CHARLES DRINKWATER,
Secretary.
Montreal, 12th August, 1907.

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C. E. Corbold, Manager.

Office of
Toronto Electric Light Co., Limited.

Notice is hereby given that a dividend of two per cent. upon the paid-up capital of the company has been declared for the current quarter, being at the rate of eight per cent. per annum, the same to be payable on the 1st day of October next.

The transfer books will be closed from September 21st to 30th, both days inclusive.

By order of the Board,
W. A. MARTIN, Secretary.
Toronto, September 11th, 1907.

CENTRAL CANADA
LOAN & SAVINGS COY.
26 KING ST. E. TORONTO.
Notice is hereby given that a Quarterly Dividend for the three (3) months ending 30th Sept., 1907, at the rate of eight per cent. (8%) per annum, has been declared upon the Capital Stock of this institution, and the same will be payable at the Offices of the Company in this city on and after 1st Oct., 1907.
The transfer books will be closed from the 20th to the 30th day of Sept., both days inclusive. By order of the Board,
37-38. E. R. WOOD, Man.-Dir.

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Preparation of Bonds

GREATER CARE SHOULD BE TAKEN BY MUNICIPALITIES.

Details of a System Now Followed in the U. S.—How a Trust Company Can Help—Special Department for Certifying, Engraving and Issuing Bonds—The Advantages to the Community.

Dr. Morley Wickett, before the convention of Ontario municipalities at Toronto recently delivered an address upon "Municipal Statistics and Debentures." He pointed out that many municipalities stood in their own light by issuing debentures in a slovenly manner, sometimes carelessly written with pen and ink, or typewritten, and upon flimsy note paper of all shades and sizes, payable at obscure villages. Systematic methods are desirable, in view of the strong public sentiment, which for the past few years has existed, against the present method of issuing municipal securities. The feeling, no doubt, has been accentuated by many recent forgeries which have taken place in the United States These, in several cases, were the result of gross carelessness in, and lack of supervision of, the manner in which the obligations were issued. It is but natural that such careful companies as banks, insurance companies, executors and trustees, should now strongly desire that every possible safeguard surround their securities. This has been so true, in the United States, that private and semi-public corporations have their issues approved of by a well-recognized trust company, and the New York and Boston Stock Exchanges, realizing the necessity of guarding against possible forgery, have long since adopted the highest standard of steel engraving and a careful countersignature by responsible trust companies for all listed securities.

As a result, an over issue or forgery of such securities is practically unknown. In view of these facts, is it not inconsistent with the present perfected state of business methods that municipal communities, the bonds of which are considered investments of the most conservative character, should refuse to take such measures against all irregularities in the issue of their obligations as are only right and fair to themselves, to the bond dealer, and to the investor?

It would seem as if the time had arrived for affording better protection for all interested in municipal issues. Believing this to be true, a trust company of Boston some time ago organized a department to be exclusively devoted to the preparation and certification of such securities. It is the aim of this department:

(1) To offer to all issuing communities absolute protection against over issue or possible forgery, and to prevent the payment of fraudulent bonds and coupons.

(2) To give the highest grade of work at a cost which is within the means of the smallest community.

(3) To serve the convenience of public officials under whose charge bonds are issued and to relieve them of all unnecessary responsibility.

(4) To facilitate the buying and selling of public obligations.

(5) To render an investment in these securities more popular and thus

(6) To enhance their market value.

When a vote has been passed authorizing a municipality to issue bonds, the trust company should be informed of the proposed amount, denomination, rate of interest, maturities, and form of bond (coupon or registered). An estimate of cost will at once be submitted by the company.

In this fee is included the preparation of the bonds and all details relative thereto, the legal opinion and certification as to genuineness by the company's solicitors.

Full instructions as to methods employed, together with cancelled specimen copies of bonds showing the high grade of workmanship, will accompany the estimate. If the terms are accepted, the legal papers relative to the proposed issue should be forwarded immediately.

After a favorable opinion from the attorneys is received, the issue should be advertised. The notice should contain a statement to the effect that the bonds are being prepared under the supervision of and will be certified as to genuineness by the trust company and that the legality has been passed upon by its solicitors.

This, in the long run, will not be an increased cost to the issuing community. But if the bond dealers are duly notified, as above, in the notice for tenders that the legality has been established, they will be inclined to raise their bid by an amount equal to what it would have cost them to obtain such an opinion. A community, consequently, has incurred no added expense.

In the meantime, the bonds are engraved. Every known precaution against possible duplication or over-issue is utilized in this process. Special bond paper containing a distinctive water mark is manufactured. Every sheet of this paper is accounted for from the time it is made until the company obtains a receipt for the completed bond.

The bonds are run from steel engravings of entirely original designs, which have been made for this exclusive use by the American Bank Note Company. These plates are more intricate and expensive than those heretofore employed in the preparation of bonds, and are designed to make duplication practically impossible.

After the bonds have been engraved they are sent to the officials under whose charge they are issued, for signing and attaching the seal. When this has been done, they are forwarded to the trust company, together with an affidavit certifying that the bonds have been properly executed.

A record of the details incident to the issue and all legal papers are filed in vaults, where they may be referred to at a moment's notice. Bond dealers and investors have found this arrangement of great value and convenience, questions often arising which could otherwise only be answered by referring to the municipal records.

In case the bonds are to be issued in registered form, they are engraved from a special registered plate in any desired number, and handsomely bound in book form. The mode of procedure is the same as described above, except that when later a transfer is requested, both the old and the new certificates are sent to the trust company, which, after making due record of the transaction, immediately forwards the new bond to the proper address and the old back to the issuing community.

It has been found of distinct advantage to all concerned to have the principal and interest of bond issues payable in one financial centre. The trust company offers its services in this connection, charging the usual nominal fee in compensation for the labor and responsibiliy involved. Such an arrangement is greatly preferred by investors, in that having prepared and certified the bonds, it unusually fortifies against the payment of fraudulent bonds and coupons. Furthermore, the convenience of the municipal treasurer is also served, as he needs to draw but one check when payments are due.

The foregoing plan meets the most exacting demands for safeguarding municipal securities, and on account of its flexibility it applies to the requirements of all communities from the largest to the smallest town.

A scheme similar in many ways to the one above described has been in successful operation in New York for the past ten years, and has been adopted by municipalities throughout the country, and a record of the sales shows that the increased premium on bonds thus prepared and certified more than doubly paid for the cost of the trust companies' services. The City Trust Company, of Boston, has adopted the plan with much success, and has furnished The Financial Post with the foregoing particulars.

These efforts for an improvement in the present methods of issuing municipal obligations are strongly endorsed by prominent bankers and investors.

ENGLISH INTEREST INCREASING.

Manager of British Empire Trust Co. Interviewed—Canada Preferred.

Mr. John Davidson, manager of the British Empire Trust Company, of London, England, who are trustees for the Canadian Northern Railway Company, the B. C. Electric Company, Rio de Janeiro, Mexico and Sao Paulo Tramways and the Shawinigan Power Company, has been a visitor to Canada for the past seven weeks and is now on his way east from British Columbia. In an interview, Mr. Davidson said: While a few years ago all Canadian securities were quoted from New York as an adjunct of the American list, to-day Montreal and Toronto were quoted as a separate Canadian centre. As a large number of British and other European investors have no confidence in the methods pursued by United States manipulators of capital, this prevented the flow of considerable sums of money into Canada that would otherwise have come here, and the separation of the securities of the two countries in the European public mind had consequently a most beneficial effect for this country.

The importance of Mr. Davidson's visit lies in the fact that he is here to observe opportunities for the investment of British and other European capital. He states that his company receives an average of at least 20 inquiries a day regarding investments in Canada and the United States, and he is desirous of observing carefully the course of development in this country, with a view to advising clients to the best of his ability. Naturally, his company is frequently called on to finance projects on this continent, and it is necessary to be properly informed concerning them.

A HINT TO THE OFFICE BOY.

A frown of disapproval darkened the manager's usually good-natured face. He was noting the air of lofty indifference with which one of the office boys was speaking to a plainly dressed caller.

"Those boys need a lesson," growled the manager, and his black eyebrows drew closer together. Then he went forward himself to speak to the caller, and with flattering courtesy gave the information desired. Returning to his desk, he hastily penciled a note, which he gave to the head office boy. Five minutes later there was a brief conclave in the vault, writes Myra C. Holt, while the head boy read aloud the note from the manager.

"Each of you three boys must write me a letter, giving your ideas of the duties of an office boy, and the manner in which those duties should be performed. Hand me the letter to-morrow morning." The three youngsters looked at each other uneasily. Their popular "boss" had his own ways of testing people.

"'Twon't be no snap to fix up that letter right," said the first boy. "And then he'll make us live up to it," added the second. "And fire us if we don't," muttered the third.

An unusual seriousness and courtesy marked the demeanor of the boys during the remainder of the day, and the manager whistled softly an optimistic little air in the intervals between his remarks to the stenographer.—New York Commercial.

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Canadian Stocks

Quotations of Securities listed on the Montreal and Toronto Stock Exchanges, with prices at closing on Friday of each week. In stocks listed on both Exchanges, prices quoted are those of the market in which a stock is the more active.

Active Stocks

Par Value	Outstanding Common Stock	Outstanding Preferred Stock	Bonds	Reserve Funds Profit and Loss	Last Dividend		STOCK	Range for year 1906		Range for 8 months, 1907				Closing one year ago, Sept. 20.		Friday, Sept. 20.		Range for week ending Sept. 19, in market of activity				
					Date	Per cent.		High	Low.	High	Date	Low	Date	Ask	Bid	Ask	Bid	First	High	Low	Last	Sales
							BANKS															
50	10,000,000			5,000,000	1st Sept. q.	2	Commerce	190½	169½	180	Jan.	163	Aug.		179¼		160	160¼	160½	160	160	385
50	3,677,414			4,645,155	1st July q.	3	Dominion	283	262½	267	Jan.	*220	June	272	270		*231½	233	234	232	234	155
100	2,470,360			2,470,360	1st Sept. q.	2½	Hamilton	233	210	217	Jan.	195	Aug.		221	194		194½	194½	194	194	60
100	4,834,410			4,834,410	1st Aug. q.	2¾	Imperial	254½	225	230	Jan.	216	June	234	232¼	217½	216½	217	217	217	217	149
100	6,000,000			4,000,000	1st Sept. q.	2	Merchants	176	160½	170	Jan.	159	May		174	161		161	161	161	161	12
100	1,000,000			1,000,000	1st July q.	2	Metropolitan	202⅛	192	192½	Mar.	192	Mar.									
100	3,322,995			3,322,995	1st July q.	2½	Molsons	230	204½	215½	Jan.	199	Aug.	227	*225	200	*198	199½	199½	197	197	27
100	14,400,000			11,000,000	1st Sept. q.	2½	Montreal	261	252¼	257	Jan.	237	Aug.		252		238¼	°237	240	*236¾	240	99
100	3,000,000			5,250,000	1st July q.	3	Nova Scotia	297½	273	293	Jan.	°270¼	Aug.	300				279¾	280	*279¾	280	120
100	3,000,000			3,000,000	1st Sept. q.	2½	Ottawa	233	222	226¾	Feb.	220	Mar.		225		210					
100	2,500,000			1,250,000	1st Sept. q.	1¾	Quebec	145	139½	145	Mar.	130	June	143	142							
100	3,900,000			4,390,000	1st July q.	2½	Royal	247½	222	242	Jan.	°224½	Aug.		*233		*225	225	225½	225	225½	230
100	3,000,000				16th Aug. q.	1½	Sovereign	155¼	133	118	July	95	June	138½	137½			110	°110	110	110	¼
50	1,546,715			1,646,715	1st Sept. q.	3	Standard	250¼	223	230¼	Feb.	215	July	246		218		218	218	216	216	70
100	3,998,940			4,498,940	1st Sept. q.	2½	Toronto	251	222	235¼	Jan.	*213	Aug.		233			213	°213	213	213	33
100	4,351,639			1,900,000	1st July q.	1¾	Traders	155	138½	140	Jan.	130	July		142¾		*	128½	129½	*128¼	128¼	50
100	3,098,550			1,600,000	1st Sept. s.	3½	Union	158	143¼	152	Jan.	°140	Aug.				134					
							TRANSPORTATION															
100	121,680,000	42,720,000	101,519,411		1st April s.	3½	Canadian Pacific Railway	201	155¾	195⅛	Jan.	*156½	Mar.	177¾	177½	165	164½	164⅝	166¼	164⅝	166¼	180
100	12,500,000		21,162,000	1,546,272	1st Aug. q.	1¼	Detroit United	102	*79¼	84½	Jan.	61½	June	95½	94	64½	64⅜	64½	66	64⅜	64⅝	377
100	12,000,000	10,000,000	20,000,000				Duluth	21	16¾	14	May	10	Aug.	20	19							
100	1,350,000		600,000	252,053	1st July q.	1½	Halifax Electric	108	100	104½	Jan.	*94	Mar.	*105	100	95¼	*94	95½	95½	95½	96½	200
100	7,500,000		8,311,561				Havana Electric	50	35	45¼	Feb.	23	Aug.	47¼	45	33	27	24	24	24	24	25
100		5,000,000			15th July q.	1	Havana Electric, preferred	97⅞	79	86	Jan.	70	April	90		79	76	77	79¾	77	77	428
100	6,395,500	3,274,300	20,030,500		1st July q.	1½	Illinois Traction, preferred	101½	88½	94¼	Feb.	78	Aug.	94⅜	*94¼	85	83½	83	83½	*83	°83½	34
100	14,000,000	7,000,000	51,865,000		15th July s.	2	Minn., St. P. and Sault Ste. Marie			136¾	Jan.	91	May	153	150			97	98½	97	98½	225
100	9,000,000		2,473,333	524,770	1st Aug. q.	2½	Montreal Street	284	211	239	Jan.	186	Aug.	279	278⅝	190	188½	190	190	186	°187¾	536
100	840,000			87,100	19th Jan. a.	6+1½	Northern Navigation	110¼	80½	104	Jan.	89	Mar.	106	102	90						
100	7,938,900		10,385,000		15th June q.	½	Northern Ohio Traction	33¼	27	30⅝	Jan.	24½	June	31	28½			22½	22½	22½	22½	10
100	3,132,000		323,146	362,500	1st Sept. q.	1¼	Richelieu and Ontario	88¼	69¾	82⅞	Jan.	61½	Aug.	84	82	65	62	61	°61	61	61	1
100	21,993,900		23,284,000				Rio de Janeiro	48	38½	48¼	Jan.	38⅞	Mar.	42	41	42	41⅜	42¾	43¾	42	42	2,367
100	563,300			115,996	1st Jan. s.	10	St. Lawrence & Chi. Steam Nav. Co.	148	120	126⅝	May	120	April									
100	8,026,637		6,000,000	1,785,718	1st July q.	2	Sao Paulo	146	125	138½	Jan.	99	Aug.	135	134	113½	*110	112	115	112	°112	819
100	12,000,000		10,866,000		1st Aug. s.	1	Toledo Railway	36¼	25	29⅞	Jan.	23¼	Aug.	*32⅛	*31½	21	20	21	22	19½	20½	1,116
100	8,000,000		3,613,373	2,130,708	1st July q.	1½	Toronto Railway	126	112	115½	Jan.	95	Aug.	117½		100	*99	99½	100	*98½	99½	606
100	9,000,000	2,600,000	6,993,000		1st July q.	1½	Tri-City, preferred	95	88½	90½	Jan.	80	Aug.					80	80	80	80	121
100	1,164,000		720,000	124,781	10th July q.	1¼	Trinidad Electric	92	80	78½	April	70	April									
100	20,100,000	3,000,000	16,546,000	1,281,348	15th Aug. q.	1¼	Twin City	122¼	102½	108½	Jan.	85½	Aug.	116	115	94⅝	94⅜	91½	93¼	91	93¼	640
100	4,500,000		5,000,000	908,688	1st July q.	2	Winnipeg Electric	190	160	186	Feb.	†140	Aug.				130	139	°139	139	139	5
							TELEGRAPH, LIGHT AND POWER															
100	10,625,000		3,363,000	3,849,846	15th July q.	2	Bell Telephone	158¾	145	145	Jan.	†125	Mar.	150	143	124		126	126	123	124	80
50	2,500,000			2,004,149	1st Aug q.	2½	Consumers Gas	209	200	206	Jan.	185	June	206		194	191	196	196	194	194	28
100	41,380,400				1st July q.	1	Mackay, common	77⅛	57⅞	75⅛	Jan.	59½	Aug.	73¼	72¾	64¾	*64½	64	64	*63¼	64	152
100		50,000,000		727,547	1st July q.	1	Mackay, preferred	76⅛	68	71½	Jan.	60	Aug.	72	71	65	*64	63¾	64½	*63½	64½	233
100	13,585,000		12,000,000	1,050,428			Mexican Light and Power Co.	70	47½	57½	Feb.	37½	Aug.	56	55	43½	43⅜	43¼	43½	43¼	43¼	590
100	17,000,000		8,464,000	1,201,158	15th Aug. q.	1½	Montreal Power	99½	86	96½	July	81¾	Mar.	95¾	95	94	93¼	92½	93½	°92	93½	797
100	2,997,900		1,000,000	518,057	1st July q.	2	Toronto Electric Light	171	152	160	Jan.	142	Mar.		160	150	*					
							INDUSTRIALS AND MISCELLANEOUS															
100	4,700,000	300,000		1,969,354	1st July q.	2½	Canadian General Electric	155	130	136½	Jan.	105½	Aug.	141	140¾	110	*108	°115	115	*109⅛	109⅛	302
100	20,000,000	5,000,000	9,642,000				Dominion Steel, common	34¼	20½	25	Jan.	16¾	Jan.	29⅞	29⅝	22	21⅜	21	23½	20	21	6,245
100	5,000,000						Dominion Steel, preferred	83½	60	66½	Jan.	42½	Aug.	79	77½	51	50⅝	52	57	50½	50¾	1,255
100	15,000,000		5,612,164	1,825,940	1st July q.	1	Dominion Coal	84½	58	70¼	Mar.	42	Aug.	71	70	47	45¾	48	48	41	46	1,035
100		3,000,000			1st Aug. s.	3½	Dominion Coal, preferred	122	112	112	Feb.	97½	Aug.			100½	99⅛					
100	5,000,000	1,854,397	7,337,160	1,394,000			Dominion Textile, common			46	June	42	Aug.			48	45					
100	5,000,000	1,854,397	7,337,160	1,394,000	15th July q.	1¾	Dominion Textile, preferred	109¾	95¼	*99	Jan.	81	Aug.	103¼	102	86	84¾	85	85	85	85	40
100	2,000,000		1,000,000	528,003	20th April s.	3	Lake of Woods Milling	100	89	90	Feb.	65	Aug.	99½	99	73	*72	74	76¼	73	73	481
100		1,500,000			11th June q.	1¾	Lake of Woods Milling, preferred	115	108	112	Feb.	100	Aug.	116		106		104½	105½	104½	105½	25
100	700,000			227,417	8th July int.	2½	Montreal Steel	114	97	98½	Feb.	96	April									
100		800,000			8th July q.	1¾	Montreal Steel, preferred	115	106	106	May	°94	July									
5	6,000,000			15,577	20th July q.	3	a Nipissing Mines Co.			15	Jan.	6⅛	Aug.			8¼	7⅛	7½	7½	7½	7½	10
100	4,987,600		3,752,000	2,617,051	15th July q.	1½	Nova Scotia Steel, common	74½	60	79	Feb.	60	Aug.	69	68	68	66	67	68	66	67	169
100		1,030,000			15th July q.	2	Nova Scotia Steel, preferred	125	118	*120	Jan	111	July									
100	1,250,000		1,000,000	1,209,370	Sept. s.	7	Ogilvie Flour															
100		2,000,000			1st Sept. q.	1¾	Ogilvie Flour, preferred	130	123	121	Feb.	111	April	127	123	*113		112	°112	112	112	8

*Ex-div. †Ex-allotment a—Quotations per $5 share. °Less than ten shares.

Inactive Stocks

Par Value	Common Stock Outstanding	Bonds, Preferred Stock or Deben'res Outstanding	Reserve and Contingent.	Last Dividend		STOCK	Range for year 1906		Latest price		Last Sale
				Date	Per cent.		High	Low	Ask	Bid	
						BANKS					
243	4,866,666		2,238,666	4th Apr.	3+1	British North America	146¼	141	155		152¾
100	2,950,750		1,860,000	1st July q.	2	Eastern Townships	163¼	160	161	157	150
100	2,482,250		1,600,000	1st Sep. q.	2	Hochelaga	163	†144	140	139¾	140
30	1,794,948		750,000	1st Sep. q.	1¾	Nationale	124	121			120
100	709,300		1,195,295	1st July q.	3	New Brunswick					272
						LOAN AND TRUST					
50	630,200	1,032,603	283,000	2nd July s.	3	Agricultural Loan					122
100	1,004,000	3,138,798	515,000	2nd July s.	3½	Canada Landed	125	117½		120	122
10	6,000,000	13,857,807	2,450,000	1st July s.	3	Canada Permanent	131	124	119½		119½
100	1,500,000	4,673,890	1,050,000	1st July q.	2	Central Canada	172	160		160*	160
10	2,398,701	p 2,456,900 d 147,413	119,808	1st July s.	3	Col. Investment, preferred	89	75		62	60
50	934,617	394,045	107,590	30th June s.	2	Dominion Savings	73	70		70	70⅛
100	1,100,000	1,671,417	504,080	2nd July s.	3	Hamilton Provident	124	120	120		120
50	1,900,000	5,271,479	1,600,000	2nd July s.	4½	Huron and Erie	188¼	183		180	180
100	735,481	547,746	78,720	2nd July s.	2½	Imperial Loan	70	70			70
100	700,000	1,005,434	310,000	2nd July s.	3	Landed Banking	125	121		121	124
50	1,000,000	2,243,355	264,310	2nd July s.	3	London and Canadian Loan	111¼	105	101		101
50	686,891	518,919	134,000	1st July s.	3	London Loan and Savings					119
25	500,000		438,096	15th Mar. s.	3½ plus ½	Montreal Loan	138	*133¼			133
£10	£150,000	£598,225	£145,000		5 s. plus 2½	North of Scotland					
100	1,000,,000		450,000	2nd July	1¾	National Trust	157	155		157*	158
50	1,200000	1,594,326	685,000	2nd July s.	3¼	Ontario Loan and Debenture	140	128¼			130½
40	373,720	119,260	82,500	2nd July s.	2½ plus ½	Real Estate Loan	90	85	85		85
100	1,000,000		375,000	2nd July s.	3¾	Toronto General Trusts	160	140			150
50	724,550	1,274,108	305,000	2nd July s.	3	Toronto Mortgage Co	115½	105½	112		109
100	1,000,000	1,105,536	580,000	1st July q.	1½	Toronto Savings					126
						OTHER COMPANIES					
25	850,000	550,000		3 °/o passed		British America Assurance	98	97			97
100	1,511,400	1,270,000		3½ for 6 mos Nov. 20, '05		British Columbia Packers, pfd	80½	59¾			°75
100	2,700,000	b 2,000,000		15 June	1	Canadian Col. Cotton	60	45		50	50
400	1,000,000		44,865	1st July	4	Canada Life Assurance	163	163			155
100	3,000,000			July q	1	Canadian Converters, Limited	60	60			59⅜
100	500,000		46,333	1st July q.	2	Canadian Salt	110¼	*108			108
12½	733,841			a		Canada North-West Land	500	400			435
100	565,000		30,000			City Dairy	38	21½	37		35
100	346,350			2nd July	1¾	City Dairy, preferred	94¼	*82½	90		85
100	100,000			1st July s.	7½	Confederation Life Association	285	272½			285
50	1,000,000			15th July q.	1½	Dominion Telegraph	121	*119	118		118
100	1,700,000	2,895,700		15th July s.	2¾	Hamilton Electric Power, pfd.					
100	450,000			1st July q.	1½	Imperial Life Assurance	149	149			150
100	500,000	b 344,000	90,474	Sep. s.	3½	Intercolonial Coal	90	84			60
100		219,700		Sep. s.	3	Intercolonial Coal, preferred					100¼
100	1,600,000	b 1,200,000		5th Aug. s.	3	Laurentide Paper	107½	89½	92	87	87
100		1,200,000		1st July q.	1¾	Laurentide Paper, preferred	114¾	100½			106
100	404,610	b 102,083	75,000	1st Sep. s.	3	London Electric	95	89¾			89¾
40	531,792	b 500,000		30th June s.	3¾	London Street	97¼	97¼			97¼
100	3,000,000	b 350,000		15th June q.	1¾	Montreal Cotton	135	122	119		125
40	2,000,000		98,098	15th July q.	2	Montreal Telegraph	171	162	155	152	157
100	701,700	b 111,000	123,953	2nd July s.	4	Niagara Navigation	133½	117	117		115
100	925,000	b 819,000				Niagara, St. Cath. and Toronto	80	75		75	80
100	998,200	500,000	230,564	2nd July q.	2½	Ottawa Electric Railway					
100	6,500,000	b 4,500,000	100,000			Shawinigan Water and Power Co.				50	48
20	1,500,000	1,000,000		passed		Western Assurance	98	96			96
100	600,000	b 1,100,000		July s.4 plus 1		Windsor Hotel	105	100			105

NOTE.—s means semi-annually ; q.—quarterly ; plus indicates bonus ; b. means bonds. p.—Preferred stock. d.—Debentures. o.—Less than ten shares. a.—$12.50 per share return of capital payable March 15, 1907.

ONE OPTIMISTIC AUTHORITY.

Judge Gary on the Situation—Not for Ten Years Has the Investment Time Been so Favorable.

In an interview published on Monday last Judge Gary, on his return from Europe, thus discusses the situation in the United States:

"To me the general situation is this. The country was in need of between $500,000,000 and $1,000,000,000 additional capital, and could not get it. The next best thing happened, a slowing down. If the favorable weather continues for the next two or three weeks we will get $7,000,000,000 for our crops. That will keep the railroads busy, and to keep ahead the railroads must order new cars and rails. A general quickening of business will follow.

"Doubts have existed in the minds of the investing public as to the outlook. But without qualification I predict that at some time in the near future the investing public will realize that not in ten years has such a chance been offered by putting out securities.

"When that time comes, and it surely will, standard dividend shares will not only be taken out of the market, but a situation will be created that will enable companies to raise funds for renewals, improvements and extensions by putting out securities

"We are always discounting the future and know factors are discounted earlier from year to year. In my opinion the forthcoming Presidential election has been discounted earlier than usual, and it has been reflected in the securities market.

"One decidedly favorable feature of the steel and iron trade is that the manufacturers are in perfect accord. Steel people, as a rule, are always ready to get together and discuss new conditions as they arise. That attitude has a tendency to keep the trade stable and it has done more than any thing else to prevent recurrence of accidents that have been disastrous in the past.

"Just now I can do no more than repeat what I said two months ago. The great and increasing wealth of the country, the annual accumulation of values, and the increasing population are certain in the long run to bring success to the optimist if in the meantime he will deal within the limits of his resources, keep his head, and act fairly and decently toward his competitors, his employes, and the public."

THE BOND MARKET

Week Ending September 20, 1907.

BONDS	Rate	Closing		Sales Week Sept. 12
		Asked	Bid	$
Bell Telephone Co.	5	106¾		
Can. Colored Cotton Mills Co.	6			
Commercial Cable Co.	4			1,000
Dominion Coal Co.	5	97		
Dominion Cotton Mills Co.	6	94	93¾	2,000
Dominion Iron & Steel Co.	5	73½	73¼	11,000
Dominion Textile Co., Series A.	6	87	85	
Do. Do. Series B.	6	90	85	
Do. Do. Series C.	6	85	83	1,000
Do. Do. Series D.	6	95	85	
Electrical Development Co.	5			
Halifax Electric Tramway Co.	5	102		
Havana Electric Railway Co.	5	90		
Intercolonial Coal Co.	5			
Keewatin Flour Mills	6	102		
Lake of the Woods Milling Co.	6	105	102	3,000
Laurentide Paper Co.	6		102	
Magdalen Islands	6	95		
Mexican Electric Light Co.	5	72		22,000
Mexican Light & Power Co.	5	80	78½	1,000
Montreal Light, Heat & Power Co.	4½	97		
Montreal Street Railway Co.	4½			
Nova Scotia Steel & Coal Co. 1st Mtg.	6			
Do. Do. Cons. Mtg.	6		101	
Ogilvie Flour Mills Co.	6	115		2,000
Price Bros. Co.	6		103½	
Rio de Janeiro Tramway, L. & P. Co.	5	72	71½	44,500
St. John Railway	5			
Sao Paulo Tramway L. & P. Co.	5		93	
Winnipeg Elec. Street R'y. Co.	5	105		3,000
Montreal City, Stock	7			
Montreal City, Stock	4			

CURB QUOTATIONS.

Week Ending September 20, 1907.

NAME	Stock Issued.	Acreage.	Week ending Sept. 19			Closing bid Sept. 20
			High	Low	Sales	
Abitibi & Cobalt Mining Co.						
Beaver Consolidated Mines	1,000,000	20				
Buffalo Mines Co.	900,000	40				
Cobalt Lake Mining Co.	3,930,866		.15	.14½	2,500	
Cobalt Silver Queen	1,500,000	58				
Cleveland Cobalt Silver Mines	1,000,000	114				
Coniagas	4,000,000	40				
Foster Cobalt Mining Co.	1,000,000	40	.65½	.65	2,100	.65
Green-Meehan Mining Co.	1,500,000	40	.25	.25	100	
Kerr Lake Mining Co.	3,000,000	52				
McKinley-Darragh-Savage Mines	2,000,000	120				
Nova Scotia Silver Cobalt M. Co.	1,800,000		.21	.20½	2,900	
Peterson Lake	2,500,000	225	.18	.18	500	
Red Rock Silver Mining Co.	1,000,000	30	.16½	.16½	3,750	
Rothschild Cobalt Co.	500,000	40				
Silver Leaf Mining Co.	5,000,000	40	.07	.05½	8,950	
Temiscaming Mining Co.	2,500,000	210				
Trethewey	1,000,000	40	.62	.60	16,450	.60
University Mines	1,000,000	56				

UNLISTED SECURITIES.

NAME	Stock Issued	Bonds and Pref. Stocks	Week ending Sept. 12			Closing bid Sept. 19
			High	Low	Sales	
Brit. Col. Packers' Ass'n. Com.	1,511,400	$1,270,000				
Consolidated Mining & Smelting	4,698,886					
Consolidated Rubber Bonds	2,141,300	822,200				100.00
Consolidated Rubber Stock, Pref.		2,600,000b				
Canada Cycle & Motor Co.	800,000					
Dominion Iron & Steel, 2nd Mtg.	20,000,000	2,178,000				
Dominion Park Bonds	400,000	250,000				
Havana Central Bonds	6,250,000	6,250,000				
Illinois Traction Com.	5,810,000	3,214,300				
Lachine Sinking Fund, 5 p.c. bonds		4,000,000				
Mexico Tramways	6,000,000					
Quebec Railway, L. & P. Co.	2,500,000	2,500,000b				
Rogers, Wm. A., Com.	750,000	900,999				
Rogers, Wm. A., Pref.	900,000					
Standard Loan Co.	1,125,000	d 600,000				
Sun & Hastings Savings & Loan Co.	937,000	d 52,000				
Tri-City Railway & Light Co., Com.	9,000,000	2,600,000				
Union Bank of Halifax	1,500,000					
Western Bank of Canada	555,000					

d Debentures b Bonds